AUTHORITY AND DOMINION

Volume 2

AUTHORITY AND DOMINION

AN ECONOMIC COMMENTARY ON EXODUS

Volume 2
Part 2: Decalogue and Dominion

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PREFACE

Why should you devote the many hours that it will take to read this book, which is over 450 pages long (including the original appendixes)? Here are a dozen possible reasons.

1. You want to understand the Ten Commandments better.
2. You want to understand economics better.
3. You want to know more about the importance of the Ten Commandments in history.
4. You want to answer theological liberals who attack the Ten Commandments as valid only in an ancient agricultural world.
5. You want to answer political liberals who insist that Jesus was a socialist revolutionary, or close to it.
6. You want to see if the Bible sets forth moral and judicial principles that inevitably produce a free market economy if widely obeyed.
7. You want to answer skeptics (humanists and pietists) who insist that "There is no such thing as Christian economics."
8. You want to know if the Ten Commandments are an unbreakable unity.
9. You want to know why Christians take a day off on Sunday rather than Saturday.
10. You want to know if the civil government should prohibit people from working on Sunday.
11. You want to know how the Ten Commandments should be applied in the modern world.
12. You want to know how the Ten Commandments ought to be numbered and why.

This book is part of a project: an economic commentary on the Bible. I wrote the first edition of this volume in 1985, which was titled *The Sinai Strategy*. The Institute for Christian Economics published

it in 1986, I did not have anything like the volume of verse-by-verse exegesis behind me that I have today.

This book had an odd history. In my 1986 Preface, I recorded the following series of events.

> The day I finished the final reading (ha!) of the page proofs of *The Sinai Strategy*, I sat down and began editing a manuscript on the covenant by Ray Sutton. It is an insightful book, one which I suspect may provide Bible students with the fundamental framework for understanding the biblical concept of the covenant, which is the Bible's most important doctrine relating to the relationship between God and man.
>
> As I was reading his chapter on the Ten Commandments, I was stunned. He had entirely missed the most important single piece of evidence for his thesis. So had I. So has every commentator I have ever read. What he had failed to see was that his five-point outline of the covenant, which he had developed independently of the Ten Commandments, fits them like a glove. More than this: It opens up the whole structure of the Ten Commandments.
>
> My immediate thought was: "Here comes a major revision of *The Sinai Strategy*, and there goes $4000[1] in typesetting charges, plus two week's work on the index I just completed." The indexing upset me most. Above everything else associated with writing a book, I hate to index. Yet if I were to attempt to incorporate my discovery into the text, I would have to rewrite everything.
>
> Or else I could change the Preface by adding a summary of Sutton's outline. So I went back to the page proofs to see how lengthy the Preface was. Guess what? No Preface. Nothing. It was listed right there in the Table of Contents, but there was nothing in the page proofs, nothing in my original manuscript, and nothing in my computer. I had forgotten to write a Preface. It would have been listed in the Table of Contents, but there would have been nothing in the book. . . .
>
> So, what I have decided to do is to take the easy way out. I am not going to rewrite this book. I am going to tell you here what the outline should have been, and you can insert it into the chapters mentally as you read. None of my conclusions should need revising, I hope. There is some space left at the end of most of the chapters, so I will add a few comments if necessary. The content of the book should not be affected, but the ability of the reader to "fit the pieces together" might have been easier if I had seen Sutton's manuscript earlier, assuming I would have spotted its applicability to the Ten Commandments.

In retrospect, I see that I made the correct decision. I did not know enough to revise the book to the extent that I have revised it in 2006 and again in 2011. In 1985, I was not in a position to re-write this

1. That would be $8,000 in 2012.

book. I did not grasp the fact that the Pentateuch itself is structured in terms of the five-point biblical covenant.[2] I did not recognize that the Book of Exodus is structured in terms of the covenant.[3] I did not recognize that the Book of Leviticus is structured in terms of it,[4] or that the five sacrifices in Leviticus are structured in terms of it.[5] I did not recognize that the Book of Revelation is structured in terms of it, and neither did David Chilton.[6] I did recognize that Deuteronomy is. Sutton had reminded me of Meredith G. Kline's discussion of this fact in *The Treaty of the Great King* (1963), following George Mendenhall's discovery in the 1950s.[7]

A. The Covenant's Outline

What Sutton argued is that there is a five-part structure to both the Old Testament and New Testament covenants. This points to the fact that there is continuity between these two covenants. He modified the structure suggested by Kline for the Book of Deuteronomy, substituting "hierarchy" for "kingdom prologue" (point two). I had never carefully considered this structure before, and surely not as a guide to the structure of the Bible. Neither had Sutton. But I recognized instantly the enormous importance of this discovery for a correct understanding of the Biblical covenant and covenants generally. His book, *That You May Prosper*, was published in 1987. The covenant's five points:

1. Transcendence/immanence (redemption)
2. Hierarchy/authority (submission)
3. Ethics/dominion (stipulations)
4. Judicial/evaluational (sanctions)
5. Legitimacy/inheritance (continuity)

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2. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1987] 2012), pp. xxx–xxxiii; North, *Leviticus: An Economic Commentary* (Tyler, Texas: Institute for Christian Economics, 1994), pp. xlii–xlix; North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), Introduction to Part 1, Section B.

3. Gary North, *Tools of Dominion: The Case Laws of Exodus* (Tyler, Texas: Institute for Christian Economics, 1990), p. 93.

4. North, *Leviticus*, pp. 44–45. Cf. James B. Jordan, *Covenant Sequence in Leviticus and Deuteronomy* (Tyler, Texas: Institute for Christian Economics, 1989).

5. *Ibid*., pp. xlix–liv, 45–47.

6. David Chilton, *The Days of Vengeance: An Exposition of the Book of Revelation* (Ft. Worth, Texas: Dominion Press, 1987).

7. George Mendenhall, "Covenant Forms in Israelite Tradition," *Biblical Archeologist*, Vol. 17, No. 3 (1954), pp. 50–76.

This may not seem to be a revolutionary insight, but it is. It is not possible for me to reproduce all of his arguments that support this interpretation, nor discuss all of its applications. Sutton's book is the bare-bones minimum. He had to cut down the manuscript in order to keep the book to 318 pages.[8]

Following Kline, he argued that this same structure is found in the suzerainty treaties of the ancient world. The king (suzerain) would initially announce his sovereignty over a nation, demand loyalty, impose sanctions for disobedience, offer protection for obedience, publish a law code, and establish the rules of succession. Sutton believes that these treaties were simply imitations of a fundamental structure of human government which is inherent in man's relationship with God.

Two decades later, in 2006, I felt compelled to revise this book. Chapter 3 required a complete revision: "Thou shalt not take the name of the Lord thy God in vain, for the Lord will not hold him guiltless who taketh his name in vain." In 1986, I followed Rushdoony's exposition in *Institutes of Biblical Law*, which stresses the oath aspect of the third commandment. The hermeneutical problem for my thesis was not clear to me then, namely, that the oath is closely associated with the fourth point of the biblical covenant. Law is associated with point three. Law and oath are covenantally linked, of course, but the third commandment has to do more with God's title or possession of His name, and therefore His authority over the uses to which His name can be put.

What brought this discrepancy to my attention was a suggested revision that a reader sent to Sutton after the Institute for Christian Economics published his book in 1987. He had more accurately seen the nature of the five points. He suggested this revision:

1. Transcendence/immanence
2. Hierarchy/authority
3. Ethics/dominion
4. Oath/sanctions
5. Succession/inheritance

This creative individual had created an acronym: THEOS, the ancient Greek word for God. But he had done far more than this. He had recognized the importance of the covenantal oath in the fourth

8. Ray R. Sutton, *That You May Prosper: Dominion By Covenant,* 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992).

point, namely, the self-maledictory oath of every biblical covenant. The oath involves sanctions. This, I did not see clearly in 1986.

With this in mind, I now return to the Preface of 1986, but with the revised scheme for points 4 and 5.

1. Transcendence/Immanence (Sovereignty)

Some of the highlights include the following. In Genesis 1:1 we read, "In the beginning, God created the heaven and the earth." He is the Creator God. He is not part of the creation. Thus, the Bible announces the *Creator/creature distinction*. This distinction is fundamental to every aspect of life. God is not to be in any way confused with His creation. He is not part of a hypothetical "chain of being" with His creation. As the Psalmist put it: "For thou, Lord, art high above all the earth: thou art exalted far above all gods" (Ps. 97:9). "The Lord is great in Zion; and he is high above all the people" (Ps. 99:2). Perhaps the crucial verses in the Bible that deal with God's transcendence are Isaiah 55:8–9: "For my thoughts are not your thoughts, neither are your ways my ways, saith the Lord. For as the heavens are higher than the earth, so are my ways higher than your ways, and my thoughts than your thoughts."[9]

God is transcendent, but He is also immanent. He is not so far removed from His creation that He has no contact with it. Genesis 1:2 says that the Spirit of God hovered (moved) upon the face of the waters. This imagery of God as a bird hovering over its brood is found throughout the Old Testament. Deuteronomy 32:11 compares God's deliverance of Israel out of the wilderness to an eagle fluttering over her young. Psalm 91:4 reads: "He shall cover thee with his feathers, and under his wings shalt thou trust: his truth shall be thy shield and buckler." Thus, the Bible denies both deism and pantheism. God is

9. Those who are familiar with the writings of Christian philosopher Cornelius Van Til will recognize that the Creator/creature distinction is Van Til's starting point: the *sovereignty of God* and therefore the *non-autonomy of man.* His student John Frame wrote: "Van Til's apologetics is essentially simple, however complicated its elaborations. It makes two basic assertions: (1) that human beings are obligated to presuppose God in all of their thinking, and (2) that unbelievers resist this obligation in every aspect of thought and life. The first assumption leads Van Til to criticize the notion of intellectual autonomy; the second leads him to discuss the noetic [knowledge] effects of sin. . . . The initial description of presuppositionalism shows insight in the prominent place given to Van Til's critique of autonomy: that is, I think, the foundation of Van Til's system and its most persuasive principle. We must not do apologetics as if we were a law unto ourselves, as if we were the measure of all things. Christian thinking, like all of Christian life, is subject to God's lordship." John Frame, "Van Til and the Ligonier Apologetic," *Westminster Theological Journal*, XLVII (1985), p. 282.

not like the god of deism who "winds up the universe" as a man winds up a clock, and then goes away, leaving it to its own preordained, impersonal devices. We do not live in a world of cosmic impersonalism. God is also not to be identified with His creation, as pantheism's god is. The creation *reflects* His glory; it does not participate in God. God is present with His creation; He is not part of it.

2. Hierarchy/Authority (Representation)

The second principle of the covenant is that of hierarchy/authority. The King of creation comes before men and demands that they submit to Him. God required Adam to obey Him. The relationship between God and man is therefore one of *command and obedience*. The covenant is therefore a *bond*. It is a personal relationship between responsible individuals. It is to be a *union*. But this union is not ontological. It is not a union of common "being." God is not some pantheistic being. Men are not evolving into God (Eastern religion). It is a personal relationship based on *authority and submission*.

3. Ethics/Law (Standards)

The third aspect of the covenant is its ethical quality. The terms of submission are ethical. The union between covenant-keepers and their God is an ethical union. The disunion between covenant-breakers and God is equally ethical: They are rebels against His law. Adam's fall into sin did not take place because he lacked some essence, some aspect of "being." He was created perfect. He fell willfully. He knew exactly what he was doing. "Adam was not deceived," Paul writes (I Tim. 2:14a).

This emphasis on ethics separates biblical religion from pagan religion. Man is supposed to exercise dominion, but not autonomous power. He is also not to seek power through ritual, or through any attempted manipulation of God or the universe. Dominion is based on adherence to the law of God—by Christ, perfectly and definitively, and by men, subordinately and progressively. Thus, ethics is set in opposition to magic (what Van Til calls metaphysics).

We are not to misuse God's name in a quest for power over creation. God spoke the creation into existence by the power of His word.

4. Oath/Sanctions (Evaluation/Imputation)

The fourth aspect of the covenant is its judicial character. The essence of maturity is man's ability to render God-honoring judgment.

God renders definitive judgment in His word, the Bible, and renders final judgment at the end of time. Man is to render analogous judgment progressively through time. During the creation week, God said "It is good" after each day. He *evaluated* His own work, and He *rendered judgment verbally*. God is the supreme King, but also the supreme Judge. When He declares a man *innocent*, because of His grace to the person through the gift of saving faith, God thereby imputes Christ's righteousness to him.[10] Without God's declaration of salvation, meaning without the imputation of Christ's righteousness to overcome the imputation of Adam's sin, there is no salvation.

When a covenant is "cut," men are reminded of both the blessings and the cursings attached to the covenant. There are oaths and vows. There are covenant rituals. There are visible signs and seals. We see this in the church (baptism, Lord's Supper), the family (marriage ceremony), and in civil government (pledge of allegiance, oath-taking of officers).

5. Succession/Inheritance (Continuity)

Finally, there is the succession/inheritance aspect of the covenant. There are covenantally specified standards of transferring the blessings of God to the next generation. In other words, the covenant extends over time and across generations. It is a bond that links past, present, and future. It has implications for men's time perspective. It makes covenantally faithful people mindful of the earthly future after they die. It also makes them respectful of the past. For example, they assume that the terms of the covenant do not change in principle. At the same time, they also know that they must be diligent in seeking to apply the fixed ethical terms of the covenant to new historical situations. They are respectful of great historic creeds, and they are also advocates of progress, creedal and otherwise. They believe in change *within the fixed ethical terms of the covenant*.

The following material appeared in the 1986 Preface.

B. The Structure of the Ten Commandments

What Sutton had not seen when he wrote his first draft was that the Ten Commandments adhere to this same structure, even its very numbering. Once we recognize that this structure undergirds the Ten Commandments, we come to a remarkable insight: There really are two "tables"

10. John Murray, *Redemption Accomplished and Applied* (London: Banner of Truth Trust; Grand Rapids, Michigan: Eerdmans, 1961).

of the law. No, there was not a pair of stones, with five laws written on each. There were two tablets with all ten written on each. They served as copies, one for God and one for Israel, in much the same way as a modern sales receipt, which is implicitly modeled after God's covenant. But there were two separate sections of the Ten Commandments (literally: ten "words" [Deut. 4:13]). They were arranged along this same covenantal pattern in two separate sections, 1–5 and 6–10.

In the Bible, there is to be a *two-fold witness* to the truth. Conviction for a capital crime requires two witnesses (Deut. 17:7; Num. 35:30). Satan in the garden sought two human witnesses against God, to test God's word and therefore challenge it. There are two angelic witnesses for every demon, for Satan only took a third of the angelic host with him (Rev. 12:4). Revelation 8 provides a deeply symbolic description of God's earthly judgment. He sends angels to judge one-third of trees, sea, creatures, ships, rivers, waters, sun, moon, and stars. In short, *two-thirds are spared*. This is the testimony to God's victory, in time and on earth. The double-witness pattern is basic to covenantal law and historic judgment.[11]

What we find is that the very structure of the Ten Commandments serves as a two-fold witness to the structure of the covenant. Sutton subsequently concluded that the first five-part pattern deals with the priestly functions, while the second five-part pattern deals with the kingly.

I. First Table (priestly)

The traditional distinction between the "two tables of the law"[12] is based on (1) what man owes to God, namely, proper worship (first table) and (2) what man owes to his fellow man (second table).

The problem has always come with the fifth commandment, which requires children to honor parents. This one seems to violate any five-five division between the God-oriented "first table" and the man-oriented or society-oriented pattern of the "second table." In fact, as we shall see, the fifth commandment is right where it belongs, on the "priestly side of the table." Martin Luther's concept of the priesthood of all believers is applicable here.

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11. Gary North, "Witnesses and Judges," *Biblical Economics Today* (Aug./Sept. 1983). I added this essay as Appendix E of the 1987 edition of *The Dominion Covenant: Genesis*. It remains in *Sovereignty and Dominion*.

12. The traditional language of two tables, with five laws on each, is incorrect. The physical tables were not divided this way. But there is a five-five division conceptually.

This arrangement has implications for the kingly category. It deals with coveting as a comprehensive sin. Coveting in general is prohibited.

1. Transcendence/Immanence (Sovereignty)

The first commandment begins with a description of who God is. He is the God who delivered Israel out of the land of Egypt, out of the house of bondage. Therefore, we must have no other gods before Him.

This God is the God of liberation—liberation in history. He is transcendent because he is the God of gods, the one true God who exercises absolute sovereignty. How do we know this? First, He says so in Genesis 1. Second, He offers evidence: His defeat of the gods of Egypt. In fact, because He is transcendent, He must be immanent. He is omnipresent. The Psalmist says: "Whither shall I go from thy Spirit? Or whither shall I flee from thy presence? If I ascend up into heaven, thou art there: if I make my bed in hell, behold, thou art there" (Ps. 139:7–8). Jeremiah writes: "Am I a God at hand, saith the LORD, and not a God afar off? Can any hide himself in secret places that I shall not see him? saith the LORD. Do not I fill heaven and earth? saith the LORD" (Jer. 23:23–24). Not only is He *generally present* throughout creation, He is *specially present* with His people. "For what nation is there so great, who hath God so nigh unto them, as the LORD our God is in all things that we call upon him for? (Deut. 4:7). He is a universal God, the God of creation, yet He is also the God of history. In short, this most high God is the God of *deliverance*. Therefore, men are to have no other gods before Him, meaning above Him.

2. Hierarchy/Authority (Representation)

He then forbids the use of graven images. Men bow down to their gods. This shows their subordination to them. God said that men are not to make graven images for themselves, nor are they to serve them. This would be an act of rebellion: removing themselves from the subordination to God, and substituting a rival god of their choice—their autonomous choice—to worship. There is a warning attached: God is a jealous God who visits (sees) the iniquity of men. There is also a promise: God also shows mercy to thousands (of generations) of those who love him and keep His commandments. Keep His commandments, therefore, and gain His mercy. He is in power over men, and He is in a position as a judge to dispense punishments and mercy. In short, obey.

3. Ethics/Law (Standards)

Do not take the name of God in vain. In 1986, I made an error of analysis. I wrote:

> As I argue in the third chapter, by using the name of a society's god, rebellious men seek to *invoke power*. It is an attempt to manipulate that god in order to get him to do the will of man. God warns us against using His name in this way. To do so is to use His name in vain.
>
> This does not mean that there is no power associated with God's name. On the contrary, there is immense power. This is why men are not to invoke this power autonomously. God promises to honor His name when it is used lawfully by church authorities, which is his ordained monopoly. The church alone can legitimately declare excommunication in the name of God. Thus, what we call "swearing" (profanity) is an unlawful attempt to manipulate God by rebellious men who assume the position of His ordained monopoly, the church.

This analysis confused point four—sanctions—with point three: ethics. The declaration of sanctions is not what the third commandment is about. The third commandment is about extending God's name in history by extending His kingdom in history. His kingdom bears His name. His name is not to be associated with words or deeds that are not in conformity to His revelation of Himself in His law.

I then went on to apply what I had written about the oath.

> The magician believes that "words of power" can be used to manipulate external events. Man seeks power by manipulating his environment. He attempts to become master of the creation by the use of secret phrases or techniques known only to initiates, whether witch doctors or scientists. Men seek *power through manipulation* rather than by ethics, obedience, and service to others.
>
> The prohibition on the misuse of God's name cuts off magic at the roots. The commandment, being negative, is nonetheless positive: ethical. We are considering the priestly function here, however; the ethical and dominical aspects are more clearly seen in the eighth commandment, which parallels the third.

This is accurate, but it is incomplete. The magician and the power religionist mistake invocation for dominion. This is a fundamental distinction between dominion religion and power religion. *Biblical religion establishes dominion by covenant*, as Sutton's subtitle affirmed. God's Bible-revealed law is His mandated tool of dominion. Thus, *ethics rather than power is the heart of biblical religion*. Obedience is central, not the use of God's name as a means to power. Power religion

uses magical words in the broadest sense—"word magic"—to extend the power of the manipulating person or group. *Power religion substitutes words for ethics*. It seeks to imitate God, who spoke the universe into existence. Man does not have creative power, only re-creative power. Obedience to God's law is man's lawful way to extend the kingdom of God outward: subordination.

4. Oath/Sanctions (Evaluation/Imputation)

Sutton argued that the sabbath was the day of evaluation in the Old Testament. As I argue in chapter four, following James Jordan's exegesis, the sabbath was also the day of judgment by God. On that day, Satan tempted man. Thus, there had to be judgment. There was supposed to be judgment of Satan by Adam provisionally, and then by God upon His return that afternoon. Instead, Adam sided with Satan against God's word, and God returned to judge both man and Satan. But it was indeed judgment day. The sabbath is therefore a day of rendering judgment on the efforts of the previous six days. Men halt their normal labors and rest, just as God had rested after His six-day efforts. In the New Testament, the church celebrates the Lord's Supper on the Lord's day, which is analogous to (but not the same as) the Old Testament sabbath. Each church member is to examine himself for the previous week's transgressions, making confession before God before taking communion (I Cor.11:28–32). Paul's words are forthright: "For if we would judge ourselves, we should not be judged. But when we are judged, we are chastened of the Lord, that we should not be condemned with the world" (vv. 31–32). Those who judge themselves falsely can thereby come under God's earthly judgment, which is why Paul points to sickness and even death within the Corinthian church (v. 30). In short, the fourth commandment is judicial.

5. Succession/Inheritance (Continuity)

Honoring father and mother is required because of the testamental nature of the covenant. Men grow old and need care; they also transfer wealth and authority to successors. To this fifth commandment a promise is attached: long life in the land which God gives to us. This commandment seems to be man-oriented, and also a uniquely *positive* law, in contrast to the priestly negatives of the first four.[13] Nevertheless, if we see this law as essentially priestly in scope, then it places the family under the overall protection of the church, or in Old Testa-

13. The sabbath law was essentially negative: no work.

ment times, under the protection of the priests. The priesthood, not the civil government, is the protector of the primary agency of welfare, the family, and therefore the church is the secondary agency of welfare, should the family prove incapable of providing for its own.

This is why Jesus cited the fifth commandment when He criticized the Pharisees for giving alms in public but not taking care of their parents (Mark 7:10–13).[14] They were being unfaithful to their calling as sons. They were therefore illegitimate sons. Jesus was calling them *bastards*. He also told them that they were the sons of their father, the devil (John 8:44). Again, He was calling them illegitimate spiritual sons rather than sons of Abraham, which they proclaimed of themselves.

It should not be surprising that the church is required to care for "widows indeed," meaning 60-year-old women who have not remarried and whose younger relatives refused to support them (I Tim. 5:2–5).[15] This is because the protection of the family is a priestly function. It should also not be surprising that the same passage says that the man who refuses to take care of his family is worse than an infidel (I Tim. 5:8). This is why the church can and should excommunicate such people. They come under the priestly ban.

It is clear that the civil government is not the economic protector of the family when it breaks down. The church is. The unwarranted growth of the welfare state in the twentieth century was therefore a manifestation of a satanic pseudo-family and a pseudo-priesthood of the modern messianic state. This development paralleled the breakdown of the family, a breakdown which the state in fact subsidizes through tax-financed welfare programs; it has also paralleled the default of the church as the secondary agency of welfare.

II. Second Table (kingly)

There is no question that this second table of the ten is not ecclesiastical and priestly in focus but rather social (familial) and political. On the other hand, the second table is no less religious than the first table of the law. Both tables are inescapably religious. But the two are separated in terms of the *primary* locus of sovereignty: family and civil government, not church.

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14. Gary North, *Trust and Dominion: An Economic Commentary on Mark* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

15. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 7.

6. Transcendence/Immanence (Sovereignty)

It is illegal to kill men. Why? Because men are made in the image of God (Gen. 9:5–6). They reflect His transcendence in a way that animals and other aspects of the creation do not. *Man is uniquely symbolic of God*.

God is transcendent. He is untouchable, absolutely sovereign, and beyond challenge. Man, His image, is not equally sovereign or equally protected. To a limited extent, he is protected. Animals, for instance, are afraid of him (Gen. 9:2). Still, he has been vulnerable to attack since Adam's Fall. Thus, to attack man seems to be an indirect way to attack God. This is one reason why Satan tempted man in the first place. To kill a man unlawfully is an affront against the image of God.

I discuss "God's monopoly of execution," the civil government, in chapter six, but I failed to link this commandment with the first commandment. The transcendence of God is the basis of this commandment: The transcendent God must be worshipped, and His image must not be slain.

7. Hierarchy/Authority (Representation)

Adultery is prohibited. Adultery in the Bible is linked theologically to idolatry. Ancient pagan societies adopted ritual prostitution, sometimes in the temple or at the entrance to the temple.[16] To break the marital covenant is the earthly equivalent of breaking the covenant with God. This was the message of the prophet Hosea. Adultery is the equivalent of worshiping a false god, an idol. This is why it is punished by execution (Lev. 20:10; Deut. 22:22). Like the sixth commandment, which is *analogous to* and *reflective of* the first commandment, so is the seventh analogous to and reflective of the second commandment: the worship of graven images. Ultimately, both violations are the worship of autonomous man, the worship of the products of man's rebellion.

The man is head of the household. He represents God before his wife and children. They are to obey him. His authority is analogous to and reflective of God's authority. The wife is functionally subordinate to the husband, just as the Son of God is functionally subordinate to the Father. The wife is not ethically inferior to the husband, just as the Son of God is not ethically inferior to the Father. There is hierarchy in the family, just as there is hierarchy in the Godhead itself. (This is what theologians call the "economical Trinity," to distinguish

16. This is still practiced in India.

it from the "ontological Trinity," meaning the co-equal nature of he three Persons. Both doctrines are true, depending on what aspect of the Trinity you are discussing.)

Adultery is a ritual denial of the faithfulness of Christ to His church, which Paul compares to a marriage (Eph. 5:22–33). It is a denial of the permanence of the hierarchical bond between Christ and the church.

Adultery is also a ritual denial of the Trinity. It says that the covenantal bond between marriage partners is breakable. But this bond is analogous to the bond among the members of the Trinity. Thus, it is a denial of the Trinity, for if men can lawfully break the marriage covenant at will, then analogously, so can God break the covenant that binds the Persons of the godhead. This leads to polytheism, which is why polytheistic cultures of the ancient world so often had ritual prostitution. This ritual reflected the theological foundation of these cultures. Adultery is therefore a form of idolatry, and analogous to the idolatry which is prohibited by the second commandment. It is a denial of man's subordination to God.

8. Ethics/Law (Sanctions)

The eighth commandment protects private property. This is a fundamental aspect of dominion. The third commandment prohibits using the Lord's name in vain. This commandment prohibits any interference with another man's tools of dominion (his capital goods), and it also protects the fruits of his labor, consumer goods. Just as a deceiver deliberately misuses God's name in order to gain people's trust, so does a thief appropriate wealth that was produced by the owner, or bought by the owner, or lawfully inherited by the owner. The deceiver wants to manipulate those around him in order to gain his ends apart from lawful service. The thief has a similar view of life: to enrich himself at the expense of others without voluntary exchange and service to the victim. Both the deceiver and the thief seek to escape the limits God has placed on them. Both seek power without covenantal faithfulness to the laws of God.

9. Oath/Sanctions (Evaluation/Imputation)

The ninth commandment prohibits false witness. This commandment implicitly refers to a law court. It is illegal to harm another person by testifying falsely to his character or his actions. Satan asked Adam and Eve to act against God's law—in short, to deny the integrity of God and the reliability of His word. God's judgment is imposed

in terms of an accurate assessment of all the facts, and then these acts are evaluated by Him in terms of His law. He bears true witness to Himself and to the acts, thoughts, and motives of all men. God does not bear false witness against others. In other words, He evaluates reliably. On the day of judgment, His judgment will be perfect. Meanwhile, in time and on earth, men are to "think God's thoughts after Him." They are to evaluate everything in terms of God's standards, and in terms of an accurate perception of external events. They are to regard history as God's product. To testify falsely against a truthful historical record is to violate the ninth commandment.

The link between the sabbath law and the false witness law is the day of judgment. Just as each person at the end of the week in Israel was supposed to evaluate his work, and whose rest was an acknowledgement of God's sovereignty over all of history, so is the commandment against false witness designed to force men to acknowledge God's sovereignty over history. Man does not create a new story by distorting the past. Man does not create a new future by distorting the past. Man only brings himself under condemnation by attempting such a crime against man and God.

10. Succession/Inheritance (Continuity)

To covet another person's goods is to covet the inheritance he will leave to his children. This also prohibits a premature coveting of parents' wealth by the children. Coveting is the first step to theft (eighth commandment). It is also a first step before adultery (seventh commandment, "thy neighbor's wife") and sometimes before murder (sixth commandment, e.g., David's murder of Uriah). Coveting is a denial of the ninth commandment, too: an implicit assertion of the illegitimacy of the present legal order which establishes the owner's rights to his property and his children's legal rights of inheritance. Evil men are tempted to misuse the courts to achieve their goals. Ahab's theft of Naboth's vineyard (I Kings 21) is representative: Coveting led to the corrupting of justice through the hiring of false witnesses and then the murder of a righteous man.[17]

The jubilee law in Old Testament Israel was designed to reduce such coveting with respect to land. Land had to be returned to the lawful, legitimate heirs every 50 years (Lev. 25:8–13).[18]

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17. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: Point Five Press, 2012), ch. 22.

18. North, *Boundaries and Dominion*, ch. 24.

In effect, the covetous person regards himself as the true heir to his neighbor's patrimony. He wishes to dispossess the lawful heirs. He plots against history—the history which led to his neighbor's position and goods—in the name of his own autonomy.

Conclusion

The Ten Commandments are divided into two sections of five commandments each. The first section is priestly, while the second is kingly or dominical. Both sections reflect the same five-part aspect of the Deuteronomic covenant structure.

Is this structure permanent? Sutton traced it back to Adam, Noah, and Abraham. He traced it forward to David, Malachi, and Jesus' Great Commission. I find it also in the temptation of Christ by Satan, and in the trial of Jesus by the Jewish leaders.

Conclusion

The Ten Commandments are the archetypal summary of the two covenants of God, Old and New. They manifest the five component parts of the Deuteronomic covenant, and they manifest them twice: commandments 1–5 and 6–10. They provide a dual witness to the truth. By identifying all five elements of the covenant, we can better understand God's legal claims on all men in general and redeemed men in particular. These claims involve *economic* claims and requirements, as we shall see.

In this revised edition, I have added footnotes that refer the reader to materials that I wrote after 1986, especially my other commentaries. I have also removed two sections from this Preface: "Satan's Temptation of Jesus" and "The Pharisees' False Covenant Lawsuit Against Jesus."

INTRODUCTION

A standard remark that we hear in Christian circles is this: "The Bible has answers for all of man's problems." This sounds impressive. Problems arise, however, when we begin to ask specific questions about the Bible's answers for specific problems in any one area of cultural or civic life. All of a sudden, people who only moments before had assured us that the Bible has the answers now begin to backtrack. "Well," they say, "the Bible has all the answers for man's *spiritual* problems."

This is a significant qualification. *It is an admission of failure*. If the Bible has answers for only narrowly defined spiritual problems, and not for the concrete, day-to-day problems of economics, family relationships, politics, law, medicine, and all other areas of life, then Christians are faced with a terrible dilemma. Either these areas of life are not areas affected by the "spirit"—the so-called "spiritual" concerns—or else the Bible *doesn't* really have the specific answers that men desperately need in their daily decision-making. Either we live in a dualistic world—a world of totally separated parts: "spirit" and "matter"—or else we have been mistaken about the ability of the Bible to answer man's questions.

But what if we refuse to accept either of these explanations? What if we still want to insist that the Bible *does* have answers for men's problems? There is a third explanation, namely, that the original statement is correct after all: the Bible really does have answers to all of men's problems. These answers are in the form of *first principles*. These biblical first principles apply to every area of life. Sometimes they apply specifically, such as this law: "Thou shalt not kill." In other situations, they apply in principle, such as the scientific principle that the universe is orderly. But why is it orderly? Because it is sustained providentially by the absolutely sovereign God who created it out of nothing. Biblical principles do apply, and without them, there can be no accurate explanation for "the way the world works."

There is a fourth possibility. Sometimes the Bible presents very specific laws that modern men mistakenly believe no longer apply to our era. People misinterpret these Old Testament laws as temporary instructions given by God in ancient times—laws that no longer apply to the modern world. But what if God still intends for His people to honor these laws? What if these laws really *are* valid in modern times? What if the presumed dualism between spirit and matter is false in the case of specific biblical laws, as well as false in theory?

A. Spiritual Problems and Biblical Law

The original statement is true. The Bible does provide the answer for every problem, not just narrowly defined "spiritual" problems. What we need to understand is that *all of man's problems are spiritual problems*.

The dualism of spirit and matter is an ancient heresy. It was called gnosticism in the ancient world, and it was a major rival philosophy to Christianity. Forms of it have revived throughout history. We must reject it entirely. We must recognize that man's so-called "earthly" problems are in reality spiritual problems, because when Adam rebelled, he *really* rebelled. It wasn't some Sunday morning rebellion; it was an "all week long" kind of rebellion. He rebelled in spirit, but this rebellion had an outward manifestation: eating the forbidden fruit. Was that forbidden fruit an earthly problem? Of course; Adam was an earthly creature. Was that forbidden fruit a spiritual problem? Of course; Adam was a spiritual creature. Did God's judgment on Adam involve his flesh, not to mention his environment? Yes. Did God's judgment involve Adam's spirit? Yes. And what we say of Adam we also must say of ourselves, and of mankind in general. *Every problem is a spiritual problem, for man's spirit is in ethical rebellion against God's Spirit*.

Modern Christians have had a false view of spirituality because they have had *an incomplete view of sin*. They have failed to understand how comprehensive the effects of sin really are, and because of this, *they have not understood how comprehensive the redemption of Jesus Christ really is*.[1] They have failed to understand that the redemption of Jesus Christ involves both the spirit of man and the body of man. It also involves the redemption of the environment of man. In short,

1. Gary North, "Comprehensive Redemption: A Theology for Social Action," *The Journal of Christian Reconstruction*, VIII (Summer 1981). Reprinted in Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), Appendix C.

Jesus Christ *definitively* (once and for all) removed the curse of God from redeemed men. Because that curse was comprehensive, so is the removal of that curse. *Progressively* redeemed men are told to work out their salvations with fear and trembling (Phil. 2:12). *Finally*, God will declare them righteous before all men and angels at the day of judgment, when the removal of the curse will be complete. In short, what was definitive at Calvary—Satan's defeat—is being progressively revealed in history, and will be finally revealed at the day of judgment and in eternity.

Because Christians in our day have failed to understand these fundamental biblical principles, they have misunderstood the meaning of "spiritual." David Chilton's comments are to the point: "When the Bible uses the term *Spiritual*, it is generally speaking of *the Holy Spirit*. . . . To be Spiritual is to be guided and motivated by the Holy Spirit. It means obeying His commands as recorded in the Scriptures. The Spiritual man is not someone who floats in midair and hears eerie voices. The Spiritual man is the man who does what the Bible says (Rom. 8:4–8). This means, therefore, that we are supposed to get involved in life. God wants us to apply Christian standards everywhere, in every area. Spirituality does not mean retreat and withdrawal from life; it means *dominion*. The basic Christian confession of faith is that *Jesus is Lord* (Rom. 10:9–10)—Lord of all things, in heaven and on earth. As Lord, He is to be glorified in every area (Rom. 11:36). In terms of Christian Spirituality, in terms of God's requirements for Christian action in every area of life, there is no reason to retreat."[2]

But how do we know when we are being Spiritual? By looking to the Bible in order to discover the principles of Spiritual living. What is this system of *permanent* principles called in the Bible? *The law*. Modern Christians may prefer to use some other word to describe these fixed, permanent principles—rules, guidelines, blueprints for living—but the Bible calls these principles *the law of God*. This is why faith in, respect for, and obedience to the law always accompany true Spirituality.

Let us return to the question at hand: Does the Bible speak to every kind of problem that man has? It does. I believe in the third explanation: The Bible provides the only source of true principles of knowledge, with God the Creator as the only source of order. I also believe in the fourth explanation: the continuing validity of many

2. David Chilton, *Paradise Restored: A Biblical Theology of Dominion* (Tyler, Texas: Dominion Press, 1985), p. 4.

Mosaic laws. We have ignored these laws in modern times, and we have paid a heavy price. We will pay an even heavier price if we continue to discount the laws of God.

How do we know that a particular Old Testament law is no longer legally binding, let alone no longer morally binding, in New Testament times? There can be only one legitimate answer: *because the New Testament says so*. There should be a specific injunction that a particular Mosaic law, or a particular class of Mosaic laws, is no longer binding in New Testament times because Jesus' work of redemption has fulfilled it *and also annulled it*. If the New Testament does not reveal this, then the law still must be in force.[3]

If a New Testament principle implicitly annuls a category of the Mosaic law, then that law no longer is in force. But this must be proven through exegesis and theology, not merely assumed. For example, if a Mosaic law was tied explicitly or implicitly to the priesthood, the land of Israel, or the tribes of Jacob, it is no longer in force, because the priesthood, the holy status of the land of Israel, and the tribes of Jacob no longer exist in the New Covenant era.[4] But a Bible scholar must show that a case law was uniquely tied to one of these three Mosaic Covenant factors in order to make his case that a particular case law was annulled.

Most Christians say that they believe in the Ten Commandments (the Decalogue). A few say that these laws no longer apply in New Testament times, but most Christians refuse to go this far. If we turn to the Ten Commandments, we should expect to find principles, as well as specifics, that give us guidance for evaluating the successes or failures of our own era and civilization. If God threatens a rebellious civilization with temporal judgment, just as He threatens individual sinners with final judgment, then we ought to be able to discover laws that God expects us not to violate. If we turn to the Ten Commandments, we should be able to discover the foundational standards of biblical social order.[5]

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3. Greg L. Bahnsen, *Theonomy in Christian Ethics*, 3rd ed. (Nacodoches, Texas: Covenant Media Foundation, [1977] 2002). For a shorter introduction, see Bahnsen, *By This Standard: The Authority of God's Law Today* (Tyler, Texas: Institute for Christian Economics, 1985).

4. Gary North, *Leviticus: An Economic Commentary* (Tyler, Texas: Institute for Christian Economics, 1994), pp. 637–45; North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), Conclusion, Section C.

5. R. J. Rushdoony, *Foundations of Social Order: Studies in the Creeds and Councils of the Early Church* (Vallecito, California: Ross House, [1968] 1998).

At the very least, we should find in the Ten Commandments laws that apply to civil government and economics. After all, God delivered these laws to a nation that had experienced many decades of tyrannical slavery. God announced Himself as their deliverer in the very first commandment. Wouldn't we expect to find rules that govern economics and politics in these laws? The answer should be an unequivocal "yes."

Why is it, then, that so few commentators have ever addressed this problem? What are the political and economic laws of the Ten Commandments? Why don't commentators ask the two crucial questions:

1. How did these commandments apply in Old Testament times?
2. How should they apply today?

The reason is fairly simple: They do not believe in the God of the Bible or God's revealed will for mankind, His law. This is especially true of seminary professors.

B. Useful Idiots

A good example of the professional drivel of modern antinomian "scholarship so-called" is a book by Walter Harrelson, *The Ten Commandments and Human Rights*. This book is as forthright and honest a defense of the Ten Commandments as the late Premier Konstantin Chernenko's book on human rights in the Soviet Union was for human rights in the Soviet Union.[6] What Harrelson and other academic "experts" on the Ten Commandments really want is to *escape* from the Ten Commandments. Their faith is clear: better situation ethics than the restraining effects of God's law. As he wrote,

> In contemporary, secularized Western society there is a wistful longing for such norms, upon which individual and family could depend in all circumstances. One reason for the rapid growth today of evangelical religion of a fundamentalist nature, or for the growth of charismatic religion, with its rigid personal and communal norms, is that such communities are thought to supply just norms. . . . We should know, however, that if we are to find a way to supply nourishment to meet this hunger, we have to do so with the utmost care. The gains of a contextualist and existentialist ethic are too numerous and too solid to be endangered by facile returns to absolutist norms. The enslavement of the human spirit in the name of religion is too well known in history. We dare not risk a recurrence of such enslavement

6. Konstantin U. Chernenko, *Human Rights in Soviet Society* (New York: International Publishers, 1981). This was published just before he became Soviet Premier.

> out of fear that our society is about to collapse into normlessness. And the misuse of norms for the protection of the privileged is a perennial danger.[7]

Or, as another concerned student of biblical law and authoritarian regimes once asked: "Hath God said?"

But God *hath* said! God said that Egypt was the tyranny, not Israel. God showed the Israelites that Assyria and Babylon, not His law, were the true threats to human rights. But in the name of Jesus, and in the name of human rights, today's academic specialists in the law of God come before us and warn us of the supposedly frightful risks of asserting the eternal validity of an eternal law-order of an eternal God. They worry about offending the defenders of "a contextualist and existentialist ethic," meaning their old professors at Yale Divinity School (or wherever). They survey the strongholds of these situation ethicists, and rather than seeing the ongoing crises of humanist civilization as the greatest opportunity in man's history for the triumph of God's law as the *only* possible substitute for this collapsing moral order, they urge faithful Christians to restrain themselves. Why, such efforts might embarrass these waffling theologians among their peers, and their peers are not the tithing people in the pews who pay their salaries, but the tenured atheists in the prestige divinity schools that awarded them their coveted (and low market value) doctorates. (I've got a Ph.D. myself; I know how little it is worth these days.)[8]

In short, these fearful, obscure, and academically irrelevant drones, with their Ph.D.'s, their tenured seminary positions, and their minimal prospects for future employment if righteous Christian people ever purge the seminaries of heretics, now see what is coming: a revival of interest in God's law, and the rapid development of political skills on the part of those who take God's law seriously. They see their liberal, pleasant, tenured little world on the verge of disaster, for those naive people who have funded their rebellion—the little people in the pews—may soon catch on to their game. The court prophets are once again in trouble on Mt. Carmel. They saw what happened last time, and they are not happy about it.

Sadly, they have allies in the conservative camp: those who preach the irrelevance of the Ten Commandments in New Testament times.

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7. Walter Harrelson, *The Ten Commandments and Human Rights* (Philadelphia: Fortress Press, 1980), p. 9.

8. Gary North, "The Ph.D. Glut Revisited," lewrockwell.com (Jan. 24, 2006). An extract appeared in the *New York Times* (Feb. 5, 2006): "In Academia, Big Brains, Empty Pockets."

But pietism's influence is also waning. The ecclesiastical irrelevance of the older pietistic fundamentalism is becoming pronounced. What has taken place in the United States since 1980[9]—really, since 1965[10] — has exposed the nakedness of the fundamentalist antinomians. They had no concrete, specifically biblical social answers for the radicals of the late 1960s, and they knew it. They went into retreat in the 1970s, and they are now being ignored into oblivion.

At last, conservative Christian laymen, and even a growing number of pastors, are beginning to see the light. They are beginning to understand the choices laid before them:

God's law or chaos
God's law or tyranny
God's law or God's wrath

C. Proof Texts, Blueprints, and Economic Antinomianism

The Ten Commandments set forth a strategy. This strategy is *a strategy for dominion*. The general principles of the Ten Commandments summarize the whole of biblical law. The case-law applications of Exodus 21–23 illustrate ways in which the Ten Commandments are to be applied.[11] The Decalogue itself is the master plan, the *blueprint* for biblical social order. These laws have very definite economic implications. This sort of thinking is foreign to virtually all modern Christian social and economic thinkers, whether conservative or liberal, Protestant or Catholic.

If I were to offer a single sentence of warning with respect to the misuse of the Bible by modern scholars, it would be this: *Beware of doubletalk and outright gibberish*. I will put it even more bluntly: If you cannot understand what a theologian has written concerning a perfectly plain passage in the Bible, trust your instincts; you are probably being conned by a professional. These hypocrites for over three hundred years[12] have made a lifetime occupation out of hiding their radical ideas behind a mask of orthodox language. They want to be low-risk revolutionaries, fully tenured, with their salaries provided

9. The election of Ronald Reagan.

10. When the counter-culture became visible publicly, and fundamentalists had nothing biblical to offer in place of the establishment's humanist culture, yet also offered nothing explicitly biblical to challenge the counter-culture.

11. Part 3, *Tools of Dominion*; James B. Jordan, *The Law of the Covenant: An Exposition of Exodus 21–23* (Tyler, Texas: Institute for Christian Economics, 1984).

12. Henning Graf Reventlow, *The Authority of the Bible and the Rise of the Modern World* (London: SCM Press., [1980] 1984).

by unsuspecting Christian sheep. Furthermore, they are, almost to a man (person?), desperate for public acceptance by secular scholars. They are humanists by conviction, even though they operate inside the churches. If they forthrightly proclaimed the doctrines of the historic Christian faith without compromise, they would be ridiculed by humanist scholars. They fear this above all. So, they write endless reams of convoluted language in order to hide the academic irrelevance of their concepts. (German theology is especially afflicted by this verbal constipation.) Their concepts are dangerous to orthodoxy and irrelevant to humanism, except as a tool of confusing the faithful. Liberal theologians are simply examples of what Lenin called "useful idiots." They are middlemen for the humanists in a great deception of the faithful. They have been described best by David Chilton: "Modern theologians are like a pack of dogs who spend most of their time sniffing each other's behinds."

1. Roman Catholic Economic Antinomianism

The Lay Commission on Catholic Social Teaching and the U.S. Economy was a conservative group whose members were some of the most famous American Catholic conservative social thinkers and political figures. It was formed in 1984 by William Simon, who had served as Secretary of the Treasury under Presidents Nixon and Ford, and Michael Novak, its main theoretician.[13] The organization's study of Catholic economic thought announced on the opening page: ". . . Christian Scripture does not offer programmatic guidance for the concrete institutions of political economy."[14] It then cited someone it referred to as "the great Catholic economist Heinrich Pesch, S.J." who proclaimed that morally advanced societies will be better prepared to endure hard times, but "this does not mean that the economist should theologize or moralize in the treatment of his subject matter or, what is worse, try to derive an economic system from Holy Scripture."[15] This document was written specifically to counter the ultra-liberal proposed first draft of Catholic bishops regarding the United States economy. And what first principle regarding biblical authority governed the liberal bishops? The same as the one adopted by the Catholic lay conservatives: "Although the Bible does not and cannot give

13. John J. Miller, "When the Flock Takes the Lead," *Opinion Journal* (Nov. 26, 2004). This is an on-line publication of the *Wall Street Journal*'s editorial page.

14. *Toward the Future: Catholic Social Thought and the U. S. Economy* (North Tarrytown, New York: Lay Commission, 1984), p. ix.

15. *Ibid.*, pp. ix–x.

us simple and direct answers to today's complex economic questions, it can and must shape our vision of the meaning of economic life."[16] The conservatives cited the free market economists they liked, while the liberals cited the anti-free market non-economists they liked. No one invoked biblical law.

2. Conservative Protestant Economic Antinomianism

Conservative Protestant philosopher Ronald Nash was opposed to liberation theology and Christian socialism. His book, *Social Justice and The Christian Church* (1983), is a ringing defense of capitalism. But not biblical capitalism. It appeals, not to the Bible, but to universal standards of logic, i.e., universal truths that can be recognized by all right-thinking people. He began with the implicit but unstated presupposition that the Bible is not sufficiently self-attesting and clear to provide generally agreed-upon conclusions; an appeal to universal logic is therefore necessary. He wrote:

> Chapter 6 considers what the Bible teaches about justice. This book intentionally rejects any proof-text approach to its subject. [But why should we expect to find autonomous proof in opposition to a biblical text?—G.N.] Many other treatments [but not all!—G.N.] of the topic purport to "discover" revealed truth about economic and social theory in the Bible and then deduce the appropriate applications of that truth to the contemporary scene. The great problem with the proof-text method is the extent to which the participants beg the question. [Beg what question?—G.N.] In most cases [but not all!—G.N.], what happens is that the writer finds some passage in the Old Testament that relates to an extinct cultural situation. [Is human reason eternally applicable, and biblical principles that undergirded the "extinct cultural situation" merely temporary?—G.N.] It is often the case [but not always!—G.N.] that such passages are ambiguous enough to give any interpreter problems. [Is human reason never ambiguous, and therefore more reliable than the "ambiguous" Bible?—G.N.] But before the reader knows it, the passage is used to prove the truth of socialism or capitalism. [Are serious Christians unable to determine good from bad exegesis in the case of biblical economic policy, so must we therefore appeal to "unambiguous" logic? And is the Bible equally ambiguous, and readers equally defenseless, with regard to everything else it speaks about? Must autonomous logic also be used to establish theological truths?—G.N.] This book takes a totally different approach. It assumes the unity of all truth. Truth in any area of human knowledge will be consistent with

16. "First Draft—Bishop's Pastoral: Catholic Social Teaching and the U. S. Economy," *Origins*, Vol. 14 (Nov. 15, 1984), p. 343. Published by the National Catholic News Service, Washington, D.C.

> truth in every other area. [So, why not begin, and end, with biblical revelation, since it is unquestionably true, while the speculations of men are unquestionably fallible in part?—G.N.][17]

Notice the qualifying phrases: "many other treatments," "in most cases," "it often is the case." Fine and dandy; then why not search for the *exceptions* to these generalities, and then adopt them when we find them? Why not search out those unique cases in which biblical texts are used properly by expositors, and then follow their lead? The answer is fairly simple: Nash did not believe that any Christian ever has successfully used the Bible to create a coherent, accurate, God-given and man-interpreted biblical economic framework. Furthermore, he obviously did not believe that such an effort *should* be attempted. *He* avoided the temptation, certainly. After all, why should we appeal to the Bible instead of appealing to universal human reason, which unlocks "the unity of all truth"? Implicitly, he was arguing that the Bible is not the bedrock universal; human reason is. Some people do not accept the Bible; presumably, all *rational* people will accept the findings of human reason.

As a devoted follower of the Calvinist philosopher Gordon Clark, Nash rejected the idea of Van Til's presuppositional, Bible-based (i.e., "proof-text") approach to the intellectual defense of Christianity. He relied instead on the hypothetical natural, unbiased, and reliable reasoning abilities of natural (unregenerate) man. In short, he appealed to biblically unaided (autonomous) reason because of his personal preference and philosophical commitment. He found what he regarded as inescapably clear free market principles in the conclusions of autonomous human reason. Unfortunately, "radical Christians" somehow have escaped from this inescapably clear set of economic conclusions.

3. Liberal Evangelical Economic Antinomianism

We find the same sort of "anti-proof text" reasoning in the camp of the "radical Christian Protestants," the left-wing targets of Nash's book. In a symposium on Christian economics published by the neo-evangelical Protestant InterVarsity Press in 1984, three of the four contributors were defenders of more state planning and authority over the economy. I was the lone critic of the state.[18] All three of

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17. Ronald Nash, *Social Justice and the Christian Church* (Milford, Michigan: Mott Media, 1983), pp. 7–8.

18. The book was taken off the market in 1985 by IVP, which sold me thousands of copies at 25 cents each. I like to think that it was my uncompromising defense of the

the antimarket essayists explicitly denied that the Bible gives us any specifics concerning economics.

> The fact that our Scriptures can be used to support or condemn any economic philosophy suggests that the Bible is not intended to lay out an economic plan which will apply for all times and places. If we are to examine economic structures in the light of Christian teachings, we will have to do it another way.[19]

> The Old Testament gives detailed laws regulating economic relationships. Although we need not feel bound by these laws, the general concern of justice and shalom found there is repeated in the New Testament and is meant for us.[20]

> There is no blueprint of the ideal state or the ideal economy. We cannot turn to chapters of the Bible and find in them a model to copy or a plan for building the ideal biblical state and national economy.[21]

If this is true—if there are no biblical blueprints—then how can we, as Christians, come before a fallen, rebellious society that is threatened by the judgment of God, and announce confidently, "Thus saith the Lord"? How can we criticize specific economic sins with the confidence of Old Testament prophets? How can we call men to repent, if we cannot say for certain what specific biblical laws they are violating? And more to the point, *how can we offer biblical alternatives*? How can we confidently affirm with Paul: ". . . God is faithful, who will not suffer you to be tempted above that ye are able [to bear]; but will, with the temptation also make a way to escape, that ye may be able to bear it" (I Cor. 10:13b)? Are we saying that God offers *no specific way* to escape? Are we saying that any old way will do, just so long as it feels right, just so long as it conforms to the recommended political and economic outlook of political liberals 15 years ago (which they discarded five years later)?

David Chilton called this attitude toward the Bible on the part of economic radicals, "The Case of the Missing Blueprints."[22] These

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free market and my rhetorically robust challenges to the three other authors that led to IVP's decision. My original article appears as Appendix E in Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy,* 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012).

19. William Diehl, "The Guided-Market System," in Robert Clouse (ed.), *Wealth and Poverty: Four Christian Views of Economics* (Downers Grove, Illinois: InterVarsity Press, 1984), p. 87.

20. Art Gish, "Decentralist Economics," *ibid.*, p. 133–34.

21. John Gladwin, "Centralist Economics," *ibid.*, p. 183.

22. David Chilton, "The Case of the Missing Blueprints," *Journal of Christian Reconstruction*, VIII (Summer 1981).

"concerned Christians" reject modern free market capitalism in the name of "biblical justice," just as the so-called Social Gospel's promoters did in the first half of the twentieth century.[23] Unlike Social Gospel theologians, who really did believe that the Bible teaches some form of socialism, the more recent evangelical statists tell us that the Bible does not provide a specific blueprint or outline of the godly economic system. The reason for their rejection of the Bible as a guide for economics is clear. They understand what the Social Gospel theologians should have understood but did not, namely, that the Bible categorically *affirms legal, moral, and economic principles that lay the foundations of a free market economic system*. They stand firm with John Gladwin, who affirmed: "Scripture offers no blueprint for the form of modern government. This means that I will resist any idea that decentralized or privatized versions of management of the economy and the provision of services are necessarily more Christian than the centralized solution."[24] He saw that the Bible does teach such a decentralized and privatized view of society, so he rejected from the start any suggestion that this blueprint is still morally or legally binding on Christian societies. (Gladwin later became a bishop in the Church of England.)

InterVarsity Press in 1983 published one of its typically statist tracts in the name of Jesus. The author, a British Ph.D. from Cambridge, who was teaching theology in India, rejected the idea that Old Testament law is still literally binding in New Testament times. "In the economic sphere, the Old Testament paradigms provide us with objectives without requiring a *literal* transposition of ancient Israelite practice into twentieth-century society."[25] In other words, Old Testament law, which drastically limited the centralization of power by the civil government, is no longer supposed to bind the state.

Here is the two-part argument which virtually all of these clever fellows have adopted. First, they say they believe that the Mosaic law's *objectives* are still binding today, and the state must see to it that its objectives are achieved. Second, the *means* established by the Mosaic law to achieve these objectives are rejected as being old fashioned or inappropriate for today's complex society, namely, men acting as individuals or as agents of the church, voluntary charitable societies,

23. C. Gregg Singer, *The Unholy Alliance* (New Rochelle, New York: Arlington House, 1975).

24. Gladwin, in Clouse, *op. cit.*, p. 181.

25. Christopher J. H. Wright, *An Eye for an Eye: The Place of Old Testament Ethics Today* (Downers Grove, Illinois: InterVarsity Press, 1983), p. 89.

or families. In short, Wright proposed what virtually all academic Christian social commentators proposed in the twentieth century: *the substitution of the state for society*. This has been a common error in the modern world, and an exceedingly pernicious one.[26]

Wright stated that "there are societies where the conditions of allegedly 'free' employees are pitiably more harsh and oppressive than those of slaves in Israel."[27] (He did not mention the giant slave societies created by the Communists.) "In such situations, the paradigmatic relevance of the Old Testament economic laws concerning work and employment can be taken almost as they stand. To introduce statutory rest days and holidays, statutory terms and conditions of employment, statutory protection from infringement of personal rights and physical dignity, statutory provision for fair wages promptly paid, would revolutionize the face of economic life for multitudes of workers in some parts of the world. And all of these are drawn from the economic legislation of God's redeemed people, Israel."[28]

Such statutory actions would indeed revolutionize the face of economic life for multitudes of workers. Such actions would guarantee continuing unemployment in all legal markets. They would, if enforced universally, transfer a monopoly grant of power to industrial economies, and specifically to the state-licensed and protected monopolistic trade unions, whose members cannot stand the wage competition that is offered by Third World employees.

"Statutory" was Dr. Wright's key word, and it is this word that was *not* used in the Old Testament. God, not the state, is sovereign. God issued His economic laws, and it is market competition and self-government under God's law, not statutes, that are supposed to govern men's economic actions in the vast majority of cases, as my commentaries on the Pentateuch and the New Testament demonstrate. Those scholars who deny my assessment of the texts have an obligation to show how and where I misinterpreted the texts. They have a great many texts to consider. In this 31-volume commentary, I have written 658 chapters of exegesis, plus appendixes and four support books.

What is noticeable is Wright's hostility to the binding character of Old Testament law *literally* transferred to today's political institutions, for what that law would bind is the messianic state. Predictably, we

26. Robert A. Nisbet, *The Quest for Community* (New York: Oxford University Press, 1952), p. 99.

27. Wright, *Eye for an Eye*, 79–80.

28. *Ibid.*, p. 80.

find *antinomianism*—hostility to the continuing validity of Bible-revealed law—in close association with statism and a mania for legislation. What the Bible warns against—*the divinization of man* —and what the Bible's law-order undermines whenever it is taken seriously, modern academic antinomians have implicitly accepted. The divinized state that the Bible's law-order militates against is the sacred cow of the intellectuals today. In short, there is a relationship between *false gods* and *high taxes*. These armchair socialists proclaim their allegiance to the "paradigmatic principles" of Old Testament law, but not its state-restricting specifics. They proclaim the "principle of the tithe," and then go on to promote massive compulsory taxation by the state. In short, they are devoted to Old Testament laws only on an ad hoc basis: whenever such verbal allegiance can be misdirected to glorify the authority of the state.

4. Whose Word Is Sovereign?

We discover that contemporary Christian social commentators are agreed: the revealed law of God is not applicable in New Testament times. God's Bible-revealed law-order is somehow out of date. It deals with "an extinct cultural situation." Antinomians view the Old Testament as some sort of discarded first draft, "the word of God (emeritus)." These commentators want to avoid the restrictions that God has said must be placed on men, institutions, and governments, if freedom and justice are to prevail. How, then, will freedom and justice be maintained? How will "the word of man (tenured)" establish and defend freedom and justice?

The biblical program is clear: self-government under revealed biblical law, with various aspects of this law enforced by a biblically revealed system of decentralized courts. There is no other valid program for the establishment and maintenance of biblically sanctioned government. All other programs are aspects of false religions. Christians have adopted aspects of false religions for two millennia. Christian social thought has been syncretistic from the beginning. Christians have failed in their attempt to establish freedom and justice for this very reason.

With the publication of Rushdoony's *Institutes of Biblical Law* in 1973, this syncretism was at long last systematically challenged. Cornelius Van Til's presuppositional apologetic method, when coupled with a renewed interest in (and exposition of) biblical law, has opened the possibility of the establishment of a self-conscious Christian civ-

ilization. To accomplish this, Christians must go forward in terms of the law delivered to man at Sinai.

Conclusion

We see the "privatized" nature of the biblical social order in the eighth commandment: "Thou shalt not steal." But we also find the foundational principles of a free market economy in all the other nine commandments. The Ten Commandments are as fine a statement of the principles of liberty, including liberty of voluntary exchange, as we can find in the history of man. *The Old Testament is an anti-statist document*. It limits the civil government in the interests of *personal self-government*. Limited civil government is one of the two political preconditions of a free market economy. The other political precondition is *predictable law*, which places limits on civil government. This, the Ten Commandments and the Old Covenant's case laws also provide.

The Bible does not teach a doctrine of salvation by law. In both the Old Testament and the New Testament, the doctrine is clear: "The just shall live by faith" (Hab. 2:4). The Bible teaches *dominion under God*, but it does not teach salvation by law. In contrast, all other religions teach either salvation by law or salvation by mystical escape, with the techniques of asceticism and mysticism serving as the "laws" that save man.[29] Humanism teaches salvation by law, and most forms of humanism in the twentieth century were statist, for the state is clearly the highest and most concentrated form of power. Salvation by the state, or by an agency of the state,[30] was the common faith of twentieth-century humanists. This is why the Bible was repugnant to twentieth-century humanists. This is not going to change.

In the ten chapters that follow, you will learn more about the relationship between the Ten Commandments and economics. You will also learn more concerning the relation between the Ten Commandments and the dominion covenant.[31] The Ten Commandments certainly have implications outside of the realm of economics, but they surely have implications at least for economics. When men see how relevant the Ten Commandments are for economics, they should gain new respect for the importance of the laws of God for all of life, but

29. North, *Authority and Dominion*, Part 1, Introduction.

30. R. J. Rushdoony, *The Messianic Character of American Education* (Phillipsburg, New Jersey: Presbyterian & Reformed, 1963).

31. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), ch. 4.

especially for the life of dominion man, the man redeemed by grace through faith in the one true Dominion Man, Jesus Christ.

This book can serve as a model. We need more studies: in politics, education, and social structures.

21

THE GOD OF LIBERATION

God spake all these words, saying, I am the LORD thy God, which have brought thee out of the land of Egypt, out of the house of bondage. Thou shalt have no other Gods before me.

EXODUS 20:1–3

The theocentric issue here is obvious: *the sovereignty of God*. God mandates absolute devotion. He is number-one. All biblical laws are extensions of this law. All of them rest on this law.

But who is this God? In this passage, God identifies Himself as the God of liberation. He also reveals Himself as the God of the covenant. His self-revelation here invokes four of the five points of the biblical covenant: sovereignty, hierarchy, law, and sanctions.

A. The Biblical Covenant's Structure

Sovereignty. God here announces that He has intervened decisively and miraculously in the lives of the Hebrews. This intervention was radically personal. The events of the exodus cannot be cogently explained as a series of impersonal natural events. There could be no doubt in the minds of the Hebrews of Moses' day that God had been the source of their liberation from Egypt. There was certainly no doubt in the minds of the people of the Canaanitic city of Jericho, as Rahab informed the spies a generation later (Josh. 2:10–11).

By identifying Himself as the source of their liberation, God announced his total sovereignty over Israel. A God who intervenes in history is not some distant God. He is a God of power. He had already revealed to them by His deeds that He possesses the power to reshape nations, seas, and history. No other God possesses such power; there-

fore, the Israelites are required to worship only Him. Sovereignty is point one of the biblical covenant.[1] Events are controlled by a God who can bring His words to pass: cosmic personalism.[2]

Hierarchy. He was also their king. Eastern kings of the second millennium B.C. used a formula for announcing their sovereignty similar to this and to God's announcement to Moses of His name (Ex. 6:2). Even when their names were well known, they announced them in the introduction to their proclamation.[3]

Second, it was customary for him to record his mighty deeds. Cassuto summarized God's announcement: "I, the Speaker, am called YHWH, and I am your God specifically. Although I am the God of the whole earth (xix 5), yet I am also your God in the sense that, in consideration of this sanctification, I have chosen you to be the people of My special possession from among all the peoples of the earth (xix 6); and it is I who brought you out of the land of Egypt, not just bringing you forth from one place to another, but liberating you from the house of bondage. Hence it behooves you to serve Me not out of fear and dread, in the way that the other peoples are used to worship their gods, but from a sense of love and gratitude."[4] Meredith G. Kline identified this as the second part of the suzerainty treaty.[5] Hierarchy is point two of the biblical covenant.[6]

God contrasts life in Egypt with life outside of Egypt. Egypt had been the house of bondage for Israel. Israel's deliverance was a liberating act on God's part. The contrast is between *bondage in Egypt* and *liberty under God*. The Israelites were in the wilderness when God revealed this law to them. The wilderness was a place of liberation by comparison with Egypt. The issue is *hierarchy*—which God will men serve?—not geography. Men are always under authority: point two of the biblical covenant. The question is: Under whose authority?

Ethics. This God of *power* is a God of *ethics*. Ethics is point three

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1. Cf. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

2. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 1: "Cosmic Personalism."

3. U. Cassuto, *A Commentary on the Book of Exodus* (Jerusalem: The Magnes Press, The Hebrew University, [1951] 1967), pp. 76–77.

4. *Ibid*., p. 241.

5. Meredith G. Kline, *The Treaty of the Great King: The Covenant Structure of Deuteronomy* (Grand Rapids, Michigan: Eerdmans, 1963), pp. 52–61; cf. Kline, *The Structure of Biblical Authority*, rev. ed. (Grand Rapids, Michigan: Eerdmans, 1972), pp. 53–57.

6. Sutton, *That You May Prosper*, ch. 2; North, *Unconditional Surrender*, ch. 2.

of the biblical covenant.[7] His power was revealed by His act of freeing the Hebrews from their Egyptian masters. He therefore has the authority to lay down the law, beginning with the first commandment.

The Hebrews had deliverance as the historical foundation of their faith in God and His law-order. This law-order is summarized in the Ten Commandments. The commandments are the foundation of righteous living. The whole of Old Testament law serves as a series of case-law applications of the ten.[8] Therefore, the case laws must be regarded as the basis of all social institutions and all interpersonal relationships. Whatever the area of life under discussion—family, business, charitable association, military command, medicine, etc.—biblical law provides the standards that should govern our actions.

Men can choose to ignore the requirements of biblical law. God dealt harshly in Egypt and in the Red Sea with those who flagrantly and defiantly rejected the rule of His law. The Israelites had experienced firsthand the institutional effects of a social order governed by a law-order different from the Bible's. They had been enslaved. The God who had delivered them from bondage here announces His standards of righteousness—not just private righteousness but social and institutional righteousness. Thus, the *God of liberation* is simultaneously the *law-giver*. The close association of biblical law and human freedom is grounded in the very character of God.

Sanctions. God had delivered them in history. This involved imposing negative sanctions on Egypt. The positive sanction of God's deliverance of covenant-keepers was inextricably associated with negative sanctions against covenant-breakers. Sanctions are point four of the biblical covenant.[9]

The only covenantal point not found in this verse is point five: succession.

How does all of this relate to economics? By means of the biblical covenant's structure. There are numerous systems of economic theory and organizations. Their defenders all come in the name of the liberation of individuals and the society. We must test these claims. But how? By means of the biblical covenant.

Because God identifies Himself in this commandment as the God of liberation, we should begin our study of economic theory with a

7. *Ibid*., ch. 3; North, *ibid*., ch. 3.

8. R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973).

9. Sutton, *That You May Prosper*, ch. 4; North, *Unconditional Surrender*, ch. 4.

detailed study of His comprehensive law-order. The summary of His law-order is found in the Ten Commandments.

B. Causation and Providence

Causation is never impersonal. This is the ultimate message of the first commandment. The Israelites were not in the wilderness because of the impersonal forces of history, or the impersonal mode of production, or the impersonal rise of the middle class. They were in the wilderness awaiting the next move of God in history. He had raised up Moses and Aaron to lead them out of Egypt. This was behind them. Now their task was to conquer Canaan. This was the promised inheritance that had been given by God to Abraham. The fourth generation after the Israelites' descent into Egypt would conquer Canaan, God had prophesied. "But in the fourth generation they shall come hither again: for the iniquity of the Amorites is not yet full" (Gen. 15:16).[10]

The basis of cause and effect is the providence of God. This includes economic causation. The laws of economics are not impersonal. They are not random. They do have purpose. They are reliable as a way to predict the outcome of policies. Economics is covenantal. It involves a sovereign God, man made in His image, economic law, causation, and economic growth. This is taught by the Decalogue as a whole. But it begins here, with the doctrine of the sovereignty of the God of liberation.

The God of liberation does not set forth laws of bondage. The Israelites could safely trust the laws of God because He had delivered them from bondage. The proof of His goodness and also His reliability was His deliverance of Israel out of Egypt.

This means that they could trust His economic commandments. His verbal commandments are consistent with His acts of deliverance in history. He possesses the power to produce the results that He promises in His law. This description encompasses His economic commandments. The structure of the universe and the universal rule of providential cause and effect are not impersonal. They are also not random.

If men are to obey God over the long run, they must have faith that they are placing their trust in a reliable law-order that is backed up by a reliable, predictable God. He must be the God of the biblical covenant. If God is not reliable, then His law is not reliable. If He is weak or forgetful or inconsistent, then his sanctions are unpre-

10. North, *Sovereignty and Dominion*, ch. 23.

dictable. If His sanctions—positive and negative—are unpredictable, then the inheritance of His people is problematical.

This verse announces that the God of liberation has proven in history that He is sovereign over history. He brought negative sanctions against Egypt and positive sanctions for Israel. He therefore commands His people to worship Him and no other.

What is worship? It is subordination to a sovereign God and obedience to His law.

Can men legitimately have confidence in the law of God in the area of economic affairs? Yes. Why is this confidence justified? Because the same God who delivered Israel from the Egyptians also established the laws of economics. This means that the basis of these economic laws is not man, or random chance, or historical cycles, or the impersonal forces of history, but instead is the *sustaining providence of God*. The guarantor of the reliability of economic law is a personal Being who delivers His people from those who defy His law.

C. Liberation Economics: True and False

The Bible sets forth the only valid liberation theology, which undergirds the only valid liberation economics. The moral, institutional, and legal foundations of this economic system are found in biblical law.

What was commonly called liberation theology in the latter decades of the twentieth century was very often warmed-over Marxism or some other type of socialistic economics.[11] Appeals to the example of exodus were made by self-professed liberation theologians, but few if any references were made to the many Old Testament case-law applications of the Ten Commandments. In fact, the continuing validity of Old Testament laws that deal with economic relationships was denied by liberation theologians; only those laws that *seem* to expand the economic power of the state—and there are very few of these in the Bible—were cited by them. This "pick and choose" aspect of modern liberation theology—a choice governed by the standards of socialism and revolution rather than by the standards of orthodox theology—undermines the church's ability to reconstruct social institutions in terms of God's revealed word.[12]

11. See David Chilton's review of Jose Miguez Bonino's book, *The Mutual Challenge to Revolution* (Grand Rapids, Michigan: Eerdmans, 1976), in *The Journal of Christian Reconstruction*, V (Summer 1978).

12. See Ronald J. Sider, *Rich Christians in an Age of Hunger* (Downers Grove, Illinois: InterVarsity Press, 1977); Stephen Mott, *Biblical Ethics and Social Change* (New York: Oxford University Press, 1982). For a critique of Sider's book, see David Chilton, *Pro-*

Biblical economics is liberation economics. Anti-biblical economics is therefore bondage economics. Those who proclaim liberation economics, but who refuse to be guided by the concrete, explicit revelation of God in the Bible concerning economic law, are wolves in sheep's clothing. They were dominant in academia until the collapse of the Soviet Union in 1991. That historic event made it embarrassing for anyone to admit that he was a socialist, or ever had been.

If theologians proclaim some variant of Marxism, socialism, interventionism, or some other form of state-deifying economics, they are the equivalent of the Egyptians. They are laying the foundations of what Hayek called the road to serfdom.[13] On the other hand, if they proclaim radical libertarianism—a world devoid of all civil government—they are laying the foundations for an ethical and political backlash, which will aid those who are seeking to expand the powers of the state. Men will not live under anarchy. Civil government is an aspect of the post-Fall world. Hierarchy is mandated by men's quest for power. The army of the victorious warlord becomes the state. There is no escape from this system of hierarchical physical coercion. The question is: Who controls it? Whose law prevails?

Historically, anarchists have allied themselves with statist revolutionaries at the beginning of a revolution, but they have invariably been destroyed after their former allies capture control of the coercive apparatus of the state. Karl Marx and Michael Bakunin initially cooperated in the founding of the First International (International Workingmen's Association), but the two men later split, and Marx and Engels destroyed the organization in the late 1870s—by transferring its headquarters to New York City—rather than allow it to fall into the hands of Bakunin's followers.[14] In the case of the Russian Revolution, the anarchists were among the first dissidents to be arrested by the Cheka, Lenin's secret police.[15]

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ductive Christians in an Age of Guilt-Manipulators: A Biblical Response to Ronald J. Sider, 3rd ed. (Tyler, Texas: Institute for Christian Economics, 1983); Ronald H. Nash, *Social Justice and the Christian Church* (Milford, Michigan: Mott Media, 1983).

13. F. A. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1944).

14. Franz Mehring, *Karl Marx: The Story of His Life* (Ann Arbor: University of Michigan Press, [1918] 1962), pp. 484ff. Bakunin hated communism because of its innate statism: "I am not a communist, because communism concentrates and swallows up in itself for the benefit of the State all the forces of society, because it inevitably leads to the concentration of property in the hands of the State, whereas I want the abolition of the State. . . ." Cited by E. H. Carr, *Michael Bakunin* (New York: Vintage, [1937] 1961), p. 356.

15. George Woodcock, *Anarchism: A History of Libertarian Ideas and Movements* (Cleveland, Ohio: Meridian, 1962), p. 219. See Part 8, "Anarchists in Prison," *The Anarchists in the Russian Revolution*, ed. Paul Avrich (Ithaca, New York: Cornell University Press,

D. Darwinism vs. Economic Law

Modern economic theory is grounded on the assumption that mankind is autonomous, that there is no need to invoke the concept of God, that all cosmic law is impersonal, that all social laws are either derived from the state or from the voluntary association of individuals, and that laws evolve over time. All modern economic theory is Darwinian, either statist Darwinian or free market Darwinian.[16]

The secular economist must find a way to adjust his theories of causation to an evolving society. If economic law is separate from social conventions, then the economist must find a way to relate conceptually the independent laws of economics to the beliefs and practices of each individual and each society. How can this be done? This is the age-old question of epistemology: "What can a man know for certain, and how can he know it?" In a changing social world (Heraclitus), how can a man's mind find permanent principles of economics (Parmenides)? How can one man communicate his discovery to others?

Darwinism undermines all concepts of permanent law, whether biological or social. It undermines economic theory. If the laws of economics are unchanging, then how can they be relevant for a changing world? If economic laws change, then how does an economist know for sure whether the laws that he thinks are internally consistent really do connect with the evolving world around him? In short, *what is the Darwinian economist's principle of final sovereignty*? In an evolving world, where everything is moving toward the heat death of the universe, what is sovereign other than the frozen tomb of absolute zero?[17]

Exodus 20:1–3 provides the intellectual foundation of epistemology. A sovereign God controls history. He must be worshipped, and He alone. Those who have been delivered from bondage possess legitimate hope that their worship will not result in bondage. They will secure their liberation by worshipping this God.

There is nothing remotely Darwinian about this worldview. It is expressly anti-Darwinian. There is nothing remotely humanistic about it. It begins, not with man, but with the God of the Bible, who is sovereign over history and who controls history for the benefit of those who worship Him and Him alone.

1973). For an account of the anarchists in the Russian Revolution, see "Voline" (Vsevold Mikhailovich Eichenbaum), *The Unknown Revolution, 1917–1921* (New York: Free Life Editions, [1947] 1975). Voline was an anarchist who participated in the revolution.

16. North, *Sovereignty and Dominion*, Appendix B.

17. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), ch. 2.

E. Law and Liberation

The Hebrews could not have misunderstood this relationship between God's law and liberation. God identified Himself as the deliverer of Israel, and then He set forth the summary of the law structure which He requires as a standard of human action. *The God of history is the God of ethics*. There can be no biblical ethics apart from an ultimate standard, yet this standard is fully applicable to history, for the God of history has announced the standard. Ethics must be simultaneously permanent and historically applicable. Permanence must not compromise the applicability of the law in history, and historical circumstances must not relativize the universal standard. The *dialectical tension between law and history*, which undermines every non-biblical social philosophy, is overcome by God, who is the guarantor of His law and the social order that is governed by this law.[18] He is the *guarantor* of the law's permanent applicability because his is the *deliverer*, in time and on earth.

The prophets of Israel repeatedly announced their detailed critiques of Israel and Judah by first recalling that the God in whose name they were coming before the nation was the same God who had delivered them from Egypt.[19] Having made this identification, they would go on to catalogue the sins of the nation—sins that were prohibited by biblical law. Ezekiel wrote: "Wherefore I caused them to go forth out of the land of Egypt, and brought them into the wilderness. And I gave them my statutes, and shewed them my judgments, which if a man do, he shall even live in them" (20:10–11). The New American Standard Version translates this final clause, "if a man observes them, he will live." In other words, the very foundation of life is the law of God, *if* a man lives in terms of this law. The prophets then listed the sins of the nation which were inevitably bringing death and destruction—the external judgment of God.

F. Biblical Law: God's Prescription for Healing

Daniel Fuller provided a helpful analogy of the relationship between biblical law and salvation by grace through faith. He described God as a physician who prescribes a particular health regimen to patients.

18. Cornelius Van Til offered the two pre-Socratic philosphers, Parmenides and Heraclitus, as the supreme examples of this dialectic. Parmenides was the philosopher of static law and logic. Parmenides was the philsopher of historical change. He wrote, "everything flows"—*panta rei*. He was the original philsopher of "go with the flow."

19. Isaiah 43:3; Jeremiah 2:6; Hosea 13:4.

Jesus likened Himself to a physician with the task of healing mankind's sins (Matt. 1:21). "We avoid legalism to the extent that we acknowledge how truly sick we are and look away from ourselves and, with complete confidence in the Doctor's expertise and desire to heal us, follow his instructions (the obedience of faith!) *in order to* get well. We should understand that the entire business of our lives is the convalescence involved in becoming like Christ."[20] While a physician expects patients to deviate occasionally from his prescribed program, he understands that a patient who consistently rejects his advice has lost faith in the physician and his program. "That is why the Bible emphasizes persevering faith."[21] This biblical faith looks toward the future, for saving faith is essentially "a confidence directed toward a future in which God will do and be all he has promised in the Bible."[22]

> It should now be clear why the necessity for obedience in no way clashes with *sola gratia* ('by grace alone'), for the Doctor is administering his cure just from the sheer joy he has in extending a blessing to others and in being appreciated for what he does. The Doctor does not bless people because they are the workmen who have rendered some necessary service to him which obligates him to reimburse them with medical care. It should also be clear why the obedience of faith is *sola fide* ("by faith alone"), for obedience is impelled wholly by faith and is not something added on to faith as though it were coordinate with it. . . . Finally, there should be no difficulty in understanding how the Doctor receives all the glory (*sola gloria*), the credit for the cures that are performed, and for the additional patients that flock to his clinic because of the glowing testimonies of those who have already experienced partial healing.[23]

Those who worship any god other than the God who reveals His standards in the Bible are worshippers of a false god. No other god, no other goal, no other standard is to replace men's faith in the living God who delivered Israel. God is primary; there is no secondary God. From this it follows that *those who proclaim a law-order alien to the one set forth in the Bible are thereby proclaiming the validity of the word of some other god*. They have become idolators—perhaps not conscious idolators, but idolators nonetheless. They are aiding and abetting the plans of men who worship another god. A god's personal (or impersonal) attributes are revealed by its law-order. *To proclaim a ri-*

20. Daniel P. Fuller, *Gospel and Law: Contrast or Continuum?* (Grand Rapids, Michigan: Eerdmans, 1980), p. 118.

21. *Idem*.

22. *Ibid*., p. 112.

23. *Ibid*., pp. 119f.

val law-order is to proclaim a rival god. Religious pluralism is political polytheism.[24]

Conclusion

God's announcement to His people that He is the God who delivered them from Egypt laid the basis for the next nine commandments. This verse makes the connection between freedom and worship, which in turn requires obedience to God's law, beginning with this law governing worship.

To abandon faith in the sovereignty of the God who delivered Israel from Egyptian bondage is to abandon any reliable foundation for discovering cause and effect in the world, including the world of economics. This confessional-epistemological principle lays the foundation for the next nine. To abandon faith in God's Bible-revealed law-order is to undermine men's faith in the reliability of God's laws of economics. This is to abandon faith in what the Bible proclaims as the only basis of liberation, namely, liberation under the sovereign power of God, who sustains the universe and calls all men to conform themselves to His ethical standards in every area of life, in time and on earth.

24. Gary North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989).

22

GRAVEN IMAGES AND RIVAL CIVILIZATIONS

> *Thou shalt not make unto thee any graven image, or any likeness of any thing that is in heaven above, or that is in the earth beneath, or that is in the water under the earth. Thou shalt not bow down thyself to them, nor serve them: for I the* Lord *thy God am a jealous God, visiting the iniquity of the fathers upon the children unto the third and fourth generation of them that hate me; and showing mercy unto thousands of them that love me, and keep my commandments.*
>
> EXODUS 20:4–6

The theocentric principle here is stated plainly: *the jealousy of God*. This law is an extension of the first commandment. The first commandment establishes the principle of God's exclusive sovereignty over history. The second commandment establishes the principle of legitimate authority: no bowing down—physical subordination—to rival gods. It also deals with representation.

A. The Structure of This Commandment

The second commandment is divided into two sections. The first section deals with the prohibition against graven images. The second section deals with the punishment and mercy of God.

It is not initially clear just how these two sections are linked together. Possibly because of this confusion, the Roman Catholic and Lutheran churches combine this commandment with the first commandment, so that the prohibition against worshipping other gods, the prohibition against graven images, and the promise of judgment and mercy are all considered as a single commandment. To get ten commandments, they divide the tenth, the prohibition against covetousness, into two: coveting the neighbor's house, and coveting the

neighbor's wife, servants, and work animals.[1] This handling of the tenth looks strained, but the handling of the first two by other Protestant groups also initially looks strained. They do seem to be one unit, rather than a one-part commandment followed by a two-part commandment.

The theological solution to this ancient debate is the five-point biblical covenant. As I have argued in the Preface and will demonstrate in this book, the biblical covenant structures the Ten Commandments into a pair of five-five sections, priestly and kingly. This conforms to the traditional Reformed and Anglican division. The Roman Catholic and Lutheran arrangement does not.

The first commandment is clear: People are not to worship any other god. The first part of the second commandment is also clear: Make no graven images. This is an application of the principle governing the first commandment, namely, that no rival gods are allowed. In other words, first there is faith in God and no other god; then there is an application of this faith in action (or better, inaction): no graven images. *The second commandment is an application of the principle governing the first commandment*. Men must not bow down to the hand-crafted images of rival gods.

One reason why we can legitimately conclude that these are two separate commandments is that both share a common feature: a *prohibition* and a *reason* for the prohibition. The first commandment gives a reason for obedience: God delivered Israel out of bondage in Egypt. This was both a positive sanction and a negative sanction. The second commandment also gives a reason for obedience: God is the One who brings judgment against those who hate Him, and who also brings mercy and love to those who love Him.

The third, fourth, and fifth commandments also follow this pattern: *command and explanation*. The third says not to take the name of the Lord in vain, "for the LORD will not hold him guiltless that taketh his name in vain," (20:7b). The fourth prohibits work on the sabbath. In the Exodus version, the reason offered is that God created the world in six days and rested on the seventh. In the Deuteronomy version, the reason offered is that they had been bondservants in Egypt, and God had delivered them (Deut. 5:15).[2] The fifth commandment,

1. "The Ten Commandments," under "Lutheran Creeds," in John H. Leith (ed.), *Creeds of the Churches: A Reader in Christian Doctrine* (Chicago: Aldine, 1963), pp. 113–14.

2. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 12.

honoring parents, also has a reason for obedience: a promise of long life.

So, the first five commandments reveal a common pattern: commandment and explanation (or motivation). The second five do not. Because of this, it is reasonable to consider the prohibition against graven images as a separate commandment: one of five.

There is a far stronger reason to divide the first two commandments in this way. The first commandment parallels the first point of the biblical covenant: sovereignty.[3] The second commandment parallels the second point of the biblical covenant: hierarchy/ representation.[4]

The issues here are *hierarchy* and *representation*. The economic issue dividing biblical religion and pagan religion is the issue of dominion vs. power. Dominion is based on a hierarchy: God > man > nature (resources). It involves the extension of God's kingdom on earth and in history. Power is based on one of three rival theories of hierarchy: (1) Satan > man > nature; (2) Man > nature; (3) Nature > man. Power involves the extension of the kingdom of whichever sovereign is at the top of the hierarchy. In terms of the language of political philosophy, dominion is based on authority because authority is legitimate, while power is illegitimate because it represents a revolt against lawfully constituted authority.

In economics, the dividing issue is *ownership vs. theft*. To determine the lawful owner of any asset, the court must have a theory of hierarchy, meaning a concept of delegated authority, or as Christianity has used the term, of *stewardship*.[5]

Thus, every social order requires a theory of authority. To sort out this crucial issue, we must first understand the second commandment. To do this, I offer an analysis of the second commandment as it applies to social theory and then economic theory. Section I applies to social theory and civil government. Section II applies more specifically to economics.

I. No Graven Images
  A. The Theology of Images
  B. Rival World Orders

3. Ray Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

4. Sutton, *ibid.*, ch. 2; North, *ibid*, ch. 2.

5. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 30.

II. The Compounding Process
    A. The Iniquity of the Children
    B. Mercy Unto Thousands

B. No Graven Images

The reason offered for this law was God's jealousy. God had delivered Israel; the nation therefore owed Him exclusive loyalty. God had brought negative sanctions against Egypt; the Israelites should therefore fear Him. This was the dual testimony of the first commandment. Loyalty was to be based on gratitude and fear, which were in turn based on historical experience. These were underlying implications of the first commandment. The second commandment made explicit what the first commandment implied. Not only were the Israelites not to honor any god before the true God, they were not to bow down to images that *represented* rival gods.

1. The Theology of Images

Man is made in God's image. He has authority over the creation as a lawful subordinate to God. But rebellious man is not content to remain a steward to God, i.e., a subordinate creature. He wants autonomy. At least, he wants to operate under some creature rather than God. So, man makes an image, thereby imitating God, who made man, His image. This image is a *point of contact* between man and the supernatural being associated with the image. The image *represents* the supernatural being. Man has an integral part in the formation of this being's point of contact. Man believes that he participates in the work of the divinity by giving shape to its image.

Ironically, man worships something less than man when he worships an idol. He worships power—power that is limited to the period of history prior to Christ's final judgment. But man himself is God's image. Redeemed men (the church) will eventually judge the angels (I Cor. 6:3).[6] Therefore, in an attempt to imitate God's original creativity by making an image—just as God made man in His image —men identify themselves with the eschatological fate of some fallen angel, for the graven image serves as a point of contact with some fallen angel. *Men thereby identify themselves with ultimate impotence and death*. "Their idols are silver and gold, the work of men's hands. They have mouths, but speak not. Eyes have they, but they see not. They

6. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 6.

have ears, but they hear not. Noses have they, but they smell not. They have hands, but they handle not. Feet have they, but they walk not. Neither speak they through their throat. They that make them are like unto them; so is every one that trusteth in them" (Ps. 115:4–8; cf. 135:15–18).

Fallen man wants a mediator between himself and God. He wants that mediator to be the work of his own hands. This is an attempt to make himself a co-equal with God, or at least a co-participant with God in their "mutual struggle" against the unpredictable forces of nature and history. The idea that there is a God-ordained mediator who was not the product of men's hands—a "stone cut out without hands" (Dan. 2:34)—is repulsive to fallen man. Such a concept of God denies man's own sovereignty and places him at the mercy of God exclusively. He would rather worship some other kind of god. As Rushdoony wrote, "the only God they can tolerate is on[e] who is immersed in history, one who is Himself a product of natural process and is working together with man to conquer time and history. God and man are thus partners and co-workers in the war against brute factuality."[7]

(a) Representing God

God was not to be represented visually by the people of the Old Testament, because He had not yet appeared as the Incarnation, the perfectly human mediator between God and men who perfectly represented God (John 14:9).[8]

Any pre-Christian attempt on the part of man to picture God

7. R. J. Rushdoony, *The Biblical Philosophy of History* (Vallecito, California: Ross House, [1969] 2000), pp. 3–4.

8. Can we legitimately represent Jesus in art? Men did see Him. If a camera had been available to one of His followers, He could have been photographed. He was not an apparition. Someone could have made a sculpture of him, or a painting. But no one did. Should we guess concerning His appearance? We make guesses at what other biblical figures looked like. Moses, since the days of Michelangelo, has come to be thought of in a particular way. But Moses was a man, not divine. So, we face a dilemma: Jesus Christ was both human and divine. We can legitimately represent Him in His work on earth. He was an historical figure. On the other hand, representations of Christ with a pagan halo around His head are not historical representations of His humanity, and are therefore illegitimate. On the pagan origins of halos in medieval art, and their relationship to the occult phenomenon of the "human aura," see "aura," in Nandor Fodor, *Encyclopedia of Psychic Sciences* (New Hyde Park, New York: University Books, [1934] 1966), pp. 17–18; Lewis Spence, *Encyclopaedia of Occultism* (New Hyde Park, New York: University Books, [1920] 1960), pp. 50–51. Also, any use of icons or paintings that "aid" us in the worship of God—aids that supposedly provide a point of contact between the worshipper and God—are illegitimate.

would have been an assertion of divinity on the part of man, for only Jesus Christ has seen God, because He is of God (John 6:46). It would have meant that fallen man had seen the face of God. But to view God meant death, as the Hebrews had been told (Ex. 19:21). Not even Moses was allowed to see God's face (Ex. 33:23). Men could have painted a burning bush, which was a manifestation of God, or produced a sculpture of Jacob wrestling with the theophany (Gen. 32:24–32), but there was no way they would have been able to represent God in His Person as a divine being. Men violated this prohibition by representing God in the form of animals, worshipping creatures as if they were the Creator (Rom. 1:23).

An idol is a means of negating the Creator-creature distinction. Men believe that they can approach God, placate God, and even control God through bowing to an idol. Yet idols are radically distinct from God, as this passage tells us: men are not to worship any aspect of the creation, whether in heaven, on earth, or under the earth.[9]

Idols are weak. The Hebrews had seen that idols had not protected the Egyptians, and their children would see that the idols of the Canaanites would be equally impotent. At best, idols put men in contact with demonic beings that can manifest power, but nothing comparable to the awesome power of God. Forbidden rites place men in bondage to underworld spirits that can control them, even as men hope to control the spirits and the external environment by means of idol worship.

God forbade the use of tools in the construction of His altar. "Ye shall not make with me gods of silver, neither shall ye make unto you gods of gold. An altar of earth thou shalt make unto me, and shalt sacrifice thereon thy burnt offerings, and thy peace offerings, thy sheep, and thine oxen: in all places where I record my name I will come unto thee, and I will bless thee. And if thou wilt make me an altar of stone, thou shalt not build it of hewn stone: for if thou lift up thy tool upon it, thou hast polluted it. Neither shalt thou go up by steps unto mine altar, that thy nakedness be not discovered thereon" (Ex. 20:23–26).[10] The Hebrews were not allowed to design and build at their own discretion the shape of the place of atonement before God. God provided the raw materials, and they were not to reshape them.

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9. I am indebted to Prof. John Frame's class syllabus, *Doctrine of the Christian Life*, for these insights.

10. Deuteronomy 27:5; Joshua 8:30–31.

When the early church spread the gospel, the pagan image-makers suffered financial losses. Acts 19 records the confrontation between the evangelists and the silversmiths who made the images of the temple of Diana. The leader of the craft guild, Demetrius, warned his colleagues: "Moreover ye see and hear, that not alone at Ephesus, but almost throughout all Asia, this Paul hath persuaded and turned away much people, saying that they be no gods, which are made with hands" (v. 26). The gospel had negative economic consequences for the pagan craftsmen of idols.

The prohibition of graven images was not a universal condemnation of all religious images. The tabernacle had images of the cherubim (Ex. 25:18–22) and bowls shaped like almonds (Ex. 25:33–34). The cherubim were not "cherubs" in the modern sense—not ruddy-faced children. They had four faces: a man's, an ox's, an eagle's, and a lion's (Ezk. 1:10). The temple actually had a large basin supported by 12 oxen (I Kings 7:25), yet bulls were a familiar part of pagan worship. But the permitted likenesses were spelled out by God and limited to the Old Testament house of God. Men were not acting autonomously when they put these likenesses in the tabernacle. In short, these specified likenesses were symbols, not icons. As symbolic of God and His relationship with man, they rested on the doctrine of creation, the absolute distinction between Creator and creation. The icon, in contrast, points to a supposed *scale of being*, an ontological link between God and the image. This is the theology of magic.

(b) Icons and Magic

Let us consider an Old Testament example of a legitimate use of an image for religious purposes. It is one of the strangest events in the Bible. The setting, however, was only too typical an event in the life of that first generation in the wilderness. God had made a vow with them to deliver a Canaanitic nation into their hands, if they in turn utterly destroyed the city. He did, and they did. The victory was complete (Num. 21:1–4). Then they journeyed around Edom, and once again they grew discouraged. They made their standard complaint: "And the people spake against God, and against Moses, Wherefore have ye brought us up out of Egypt to die in the wilderness? For there is no bread, neither is there any water: and our soul loatheth this light bread" (Num. 21:5).

This time, God responded in anger. He sent fiery serpents among them to bite them. Many of them died (21:6). They repented. Moses

then prayed for them (v. 7). God instructed him to make an image of a fiery serpent and place it on a pole. Everyone who looks at it after he is bitten will live, God told Moses (v. 8). Moses made the image, and God's word came true: Merely looking at it saved their lives (v. 9).

Was this magic? No, for God had instructed them on *a one-time basis* to follow this *one-time ritual*. The use of the serpent on a pole was not to become part of Israel's worship. Moses had been instructed by God to make such an image. Yet, of all images, this one is the one that we would assume could never be made legitimately. The serpent became a universal symbol in pagan civilizations. The Sumerian god Ningishzida was the son of the healing god Ninazu, and he was represented by a pair of snakes entwined around a rod. This god was worshipped in Babylon in the late Bronze Age era in which the exodus took place.[11] In Greece, the symbol of a snake was also associated with divine healing: Asklepios, a snake-god, was their god of healing. He was symbolized as a snake wrapped around a staff.[12] We still see the Sumerian snakes' use as a symbol of healing: the medical profession's symbol is a pair of intertwined snakes on a pole. Yet God instructed Moses to construct a snake image.

Why was this image not an icon? Because it was used in an actual historical event. This is the key that unlocks the New Testament era's standard for the proper use of images. Now that God has come in the flesh and has manifested Himself among men, it is legitimate to represent God by making representations of Jesus Christ. How can such statues or paintings be kept from becoming magical talismans, amulets, or icons? *By placing the representations in a Bible-revealed historical setting*.

We do not know what Jesus looked like. We know that He was sufficiently nondescript that the Jews paid Judas to identify Him. So, we cannot legitimately represent Jesus apart from recognizable historical settings from the Bible. The historical setting is the identifying mark of who the image represents. It points also to a one-time only event in man's history. In this way, the image does not readily become a continuing incarnation. It does not readily become a link in the present between the worshipper and the object of his worship. Thus, the presence of statues or paintings or stained glass windows

11. E. A. Wallis Budge, *Amulets and Talismans* (New Hyde Park: New York: University Books, [1930?] 1961), pp. 488–89. "The snake sloughs its skin annually, and so suggested the ideas of renewed life and immortality to the ancients" (p. 489).

12. Jane Harrison, *Prolegomena to the Study of Greek Religion* (Princeton, New Jersey: Princeton University Press, [1903] 1991), p. 341.

in a church need not be violations of the second commandment. But when these images are used as links between the present worship of God in prayer, except as a way to recall the memory of some mighty act of God, they become idols.

The use of icons as *mediating instruments* between worshippers and God does involve elements of the forbidden practice, but this is not always a *self-conscious* defiance of the second commandment.[13] Eastern orthodoxy and Roman Catholicism are marked by practices that are rebellious in this regard, but this may not always be self-conscious rebellion. The leadership of both churches has unquestionably failed in the past to limit the use of images within the worship ceremonies to strictly historical settings. By failing to limit the use of visual representations of Jesus or the "saints"—historical figures from the Bible—to their historical settings, churches have thereby implicitly or explicitly encouraged the misuse of images. They have not warned the worshippers that the use of images is to be historical, not ontological. Images are to remind men of the deliverances in history by God of His people. They may be used to remind men of the power of God in history, and therefore to reinforce their faith in God's power in the affairs of this world. They may not be used to link a specific worshipper with a specific mediator who is represented by the image so closely that the very presence of the image is the source of the mediation. In other words, worshippers can easily be lured into substituting magic for Christian faith.

We can understand how easy it is for a believer to make this illegitimate substitution when we examine the case of Moses' tapping of the rock in order to bring forth water for the Israelites. Moses tapped the rock in order to get water out of it. Why? He had once been told by God to smite a rock in order to bring water out of it (Ex. 17:6), and he made a false conclusion: God rewards the man who properly manipulates the talismans or implements of ritualistic power. He concluded that a one-time historical link between tapping a rock and getting water out of it was in fact an *ontological* link between ritual precision and desired effect. He was lured into heresy. The influence of the

13. The iconoclastic controversy in Byzantium in the eighth century A.D. was a war by the emperors against the use of icons in the church. As Ladner noted in 1940, this was a political struggle. The emperors wanted a monopoly over the use of icons. The icons of the emperors in public places were to be the manifestation on earth of material aspects of God's kingdom. In short, "they did not wish to permit on this the imagery of their own imperial natural world." Gerhard B. Ladner, "Origin and Significance of the Byzantine Iconoclastic Controversy," *Medieval Studies*, II (New York: Sheed & Ward, 1940), p. 135. Cited in R. J. Rushdoony, *The One and the Many: Studies in the Philosophy of Order and Ultimacy* (Vallecito, California: Ross House, [1971] 2007), p. 188.

power religion of Egypt was still strong in his thinking. He began to think in terms of ritual rather than ethics, of the precise repetition of a familiar formula rather than obedience to God's revealed word. In short, Moses adopted magic in place of biblical religion.[14]

God knew that this shift in Moses' thinking had taken place. This is why He tested Moses. He told Moses in the desert of Zin to take the rod and gather the assembly, and then speak to the rock before earth any other but their own image or more exactly their eyes, "and thou shalt bring forth to them water out of the rock" (Num. 20:8). Moses did not believe God. He relied instead on ritual. He concluded that adherence to a form (formula) that had produced results in the past is the key to tapping God's power. So he tapped the rock in order to "tap" God's power. He even added a touch of his own—literally: a second tap of the rod. "And Moses lifted up his hand, and with his rod he smote the rock twice: and the water came out abundantly, and the congregation drank, and their beasts also. And the LORD spake unto Moses and Aaron, Because ye believed me not, to sanctify me in the eyes of the children of Israel, therefore ye shall not bring this congregation into the land which I have given them" (vv. 11–12). This was a high price to pay.

A legitimate symbol reminds us of what God is like by revealing what kinds of physical blessings God has given to His people. Its prohibited pagan equivalent is the amulet or talisman, which commands a god's obedience because of the presence of the object, or because of ritual precisely performed by man. It assumes that both the god and man are under the bondage of ritual, but that man can impose his will on the god through manipulating a talisman or other implement of power. Budge wrote:

> The use of amulets dates from the time when animism or magic satisfied the spiritual needs of man. Primitive man seems to have adopted them as a result of an internal urge or the natural instinct which made him protect himself and to try to divine the future. He required amulets to enable him to beget children, to give him strength to overcome enemies, visible and invisible, and above all the EVIL EYE, and to protect his women and children, and house and cattle; and his descendants throughout the world have always done the same. When the notion of a god developed in his mind, he ascribed to that god the authorship of the magical powers which he believed to be inherent in the amulets, and he believed that his god needed them as much as he himself did. He did not think it possible for

14. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 11.

> his god to exist without the help of magical powers. . . . The gods became magicians, and employed magic when necessary, and dispensed it through their priests to mankind.[15]

A legitimate image of a Bible event reminds men of what God has done. An icon is the hypothetical representation of a person out of the Bible—a representation that offers the worshipper power over today's events because it manifests the displayed power that the person represented by the image once possessed. It is an illegitimate device, because the worshipper seeks to appropriate the power that was *once revealed historically* in the life of the person represented by the image. It is not biblically significant that the person represented by the image once possessed such power. What is significant is that he was *placed under grace* and received power sufficient to perform his God-assigned task or sufficient to demonstrate God's power in history. The basis of this gift of power was not the precision of his ritual performance, or his special place on the hypothetical (and nonexistent) chain of being between God and man, but rather *his position in history*, meaning his place in the providentially controlled history of God's people. Worshippers should never forget that *the biblical personality represented by the image never used an image to appropriate the power he received*. There are no indications that worshippers in the Old Testament or New Testament church used images of historic persons to aid them in their prayers and devotions.

Similarly, our possession of power is not based on our ability to repeat precise rituals, or on our position in some chain of being. Our power is dependent on the providence of God. Thus, it is *obedience*, not ritual, that is essential. It is *ethics*, not power, that is our lawful goal. Extending the kingdom of God, not extending the kingdom of man, Satan, or autonomous nature, is our primary goal (Matt. 6:33).[16] Thus, the use of images to enhance our power by bringing us closer to God *metaphysically or ontologically* is illegitimate. Images are to bring us closer to Jesus Christ *ethically*. To reduce the likelihood of our misusing images, they must be kept *historical* in their frame of reference. They must remind us of what God once did for people who verbally and ethically proclaimed biblical religion, not what He did for people who ritually proclaimed the power religion. What God did *to* the latter is what faithful worshippers wish to avoid.

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15. Budge, *Amulets and Talismans*, pp. xv, xvi.

16. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 15.

As I have said, the improper use of icons, candles, or other objects used in worship is not always self-consciously magical. In the world of occultism, on the other hand, we still find a self-conscious acceptance of the old religion of images. The revival of an occultist political order under Nazism in the 1930s indicates that the lingering traces of occultism can be revived at any time. If occultism continues to expand its influence, we can expect to see more examples of the ancient practice of image-worship.

2. Rival World Orders

The image, the god represented by the image, and the social order are always closely linked. Bowing down to an idol means the acceptance of that god's law-order. "Thou shalt not bow down to their gods, nor serve them, nor do after their works; but thou shalt utterly overthrow them, and quite break down their images" (Ex. 23:24). To *bow down* to any deity means to *walk in his ordinances*. "After the doings of the land of Egypt, wherein ye dwelt, shall ye not do: and after the doings of the land of Canaan, whither I bring you, shall ye not do: neither shall ye walk in their ordinances" (Lev. 18:3). The history of Israel testifies to the inescapable link between gods and their social orders: "They did not destroy the nations, concerning whom the LORD commanded them, but were mingled among the heathen, and learned their works. And they served their idols: which were a snare unto them. Yea, they sacrificed their sons and daughters unto devils" (Ps. 106:34–37).

Making a graven image means to participate in the creation of a new world order. This new world order is in opposition to God's world order. A different god is elevated to a position of sovereignty. In the Old Testament era, this meant that some demonic being became the source of health and prosperity. In modern civilization, which is the historical product of Christianity, most men no longer worship demons explicitly. They attribute sovereignty to impersonal forces of history (Marxism), or forces of the unconscious mind (Freudianism), or the spirit of the Volk (Nazism), or the impersonal forces of nature (Darwinism's explanation of pre-human evolution). Modern man has attempted to become what C. S. Lewis prophesied: the materialist magician.[17] Ultimately, man is the sovereign agent, by means of the proletarian Party (Marxism), economic planning (Fabianism),

17. C. S. Lewis, *The Screwtape Letters* (New York: Macmillan, [1961] 1969), p. 33. These "letters from a senior devil" were published first during World War II.

genetic manipulation (eugenics), conditioned response training (behaviorism), psychoanalysis (Freudianism), the führer (Nazism), higher consciousness techniques (New Age transcendentalism), compulsory public education (progressive education), scientific planning (Darwinism), or scientific management (Taylorism).[18]

Satan did not tempt Adam and Eve to worship him openly; he only asked them to violate the law of God. The violation of God's law was the equivalent of worshipping Satan. Only when he approached Christ did he ask to be worshipped (Luke 4:7).[19] *The worship of man and his works is essentially the worship of Satan*. In short, man the idol-maker and idol-worshipper is man the Satan-worshipper. Humanism is inescapably satanism, which is why satanism revives during periods of humanistic dominance.[20]

The construction of a world order that is opposed to the new world order set forth by God is therefore theologically comparable to constructing a graven image. There may be no official graven image at first. Men may not be asked to bow down to it at first. But the substitution of the ordinances of man for the ordinances of God is the heart of idol-worship. It is an assertion of *man's autonomy*, which ultimately results in *the subordination of man to the ordinances of Satan*. The society of Satan does not need graven images to make it operational.[21]

It is a testimony to the impact of Christianity on Western culture that graven images have all but disappeared. Humanists have adopted faith in the original promise of Satan to Eve, namely, the impossible offer of autonomy to man, but they do not bow down to graven images. To make a profession of faith in man's autonomy is to become ethically subordinate to Satan (under the overall sovereignty of God).[22] Men who believe that they worship no god have nevertheless conformed themselves sufficiently to Satan's standards to warrant

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18. Gary North, "From Cosmic Purposelessness to Humanistic Sovereignty," Appendix A in *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012).

19. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 4.

20. On the occultism of the Renaissance, see Frances Yates, *Giordano Bruno and the Hermetic Tradition* (New York: Vintage, 1964). On the occult background of nineteenth-century revolutionism, see James Billington, *Fire in the Minds of Men: Origins of the Revolutionary Faith* (New York: Basic Books, 1980). On the link between humanism and occultism in the United States, especially after 1964, see Gary North, *Unholy Spirits: Occultism and New Age Humanism* (Ft. Worth, Texas: Dominion Press, 1986).

21. R. J. Rushdoony, "The Society of Satan" (1964); reprinted in *Biblical Economics Today*, II (Oct./Nov. 1979).

22. North, *Sovereignty and Dominion*, p. 132.

eternal punishment, and to that extent, Satan is pleased. In worshipping the works of their own hands, they refuse to worship God. Their idols are not explicitly religious or explicitly rebellious ritually. They do not celebrate their faith by adopting the ancient rituals of satanism, namely, by making graven images.[23] Worshipping graven images would make manifest their ultimate theology, so in this respect Christianity has influenced humanism and has also restrained it.

(a) Images and Political Covenants

The prohibition against worshipping graven images was unique in the ancient world. Whenever archaeologists dig up the remains of some ancient city, they find images of all kinds—in temples, in the palace of the king, in graves, and in the homes of the people. Ancient cultures were polytheistic. The proliferation of civic and household images was a universal phenomenon. By prohibiting the use of graven images, God was separating the Israelites from the surrounding cultures. It was always the mark of rebellion when the Israelites began to worship graven images.

Because images were prohibited in Israel, this made political covenants with surrounding nations impossible during the periods in which Israel remained faithful and avoided images. Temporary alliances were allowed (Gen. 14), but not oath-bound covenants. In the ancient world, including the classical civilizations of Greece and Rome, political alliances involved a peace treaty between the gods of the city-states. Politics was fundamentally religious. Citizenship was based on a free man's right by birth to participate in the religious rites of a particular city. He could participate only in the rites of his own city. Dual citizenship was therefore impossible. The gods of the ancient city were jealous gods. Their worshippers were not allowed to participate in the religious rites of other cities.

Where did the local gods come from? A Greek city-state could adopt local gods that were identified with certain families within the city. When a family consented to allow its deity to become the god of a city, it generally retained the hereditary right of priesthood for

23. C. S. Lewis' insightful novel, *That Hideous Strength* (1946), presents a literary prophecy of a coming fusion of power-seeking modern science and power-seeking ancient demonism. This experiment ends in the novel with the destruction of the scientists: one by a suicidal but consistent application of modern dualistic psychology (Frost), another as a blood sacrifice to a demonic god-head whose scientific "creator" never suspected (until the moment of his death) that it was anything but a strictly scientific phenomenon (Filostrata).

that deity.[24] Different cities would have local deities named Zeus or Athena, but these were not the same gods.[25]

Warfare between cities was simultaneously warfare between the gods of each city. A conquered city had to be allowed to remain independent, or else it had to be destroyed. "There was no middle course," Fustel de Coulanges wrote. "Either the city ceased to exist, or it was a sovereign state. So long as it retained its worship, it retained its government; it lost the one only by losing the other; and then it existed no longer."[26] Understandably, this made warfare total. Soldiers burned crops because the crops were dedicated to other gods. Cattle were slaughtered. The sacred fires of the defeated city and its households were extinguished. There was no sense of duty towards the enemy.[27]

What about peace treaties between cities? They were established by religious acts. The ceremony of the treaty was conducted by the priests of each city.

> These religious ceremonies alone gave a sacred and inviolable character to international conventions. . . . With such ideas it was important, in a treaty of peace, that each city called its own gods to bear witness to its oaths. . . . Both parties tried, indeed, if it was possible, to invoke divinities that were common to both cities. They swore by those gods that were visible everywhere—the sun, which shines upon all, and the nourishing earth. But the gods of each city, and its protecting heroes, touched men much more, and it was necessary to call them to witness, if men wished to have oaths really confirmed by religion. As the gods mingled in the battles during the war, they had to be included in the treaty. It was stipulated, therefore, that there should be an alliance between the gods as between the two cities. To indicate this alliance of the gods, it sometimes happened that the two peoples agreed mutually to take part in each other's sacred festivals. Sometimes they opened their temples to each other, and made an exchange of religious rites.[28]

Fustel wrote about Greece and Rome, but similar theologies reigned in the Near East. Thus, it was impossible for Israel to make covenants of peace with the foreign nations and still remain faithful to God. "Thou shalt make no covenant with them, nor with their gods" (Ex. 23:32). The nations of Canaan had to be utterly destroyed

24. Numa Denis Fustel de Coulanges, *The Ancient City: A Study on the Religion, Laws, and Institutions of Greece and Rome* (Garden City, New York: Doubleday Anchor, [1864] n.d.), III:II:2, pp. 124–25. Reprinted by Peter Smith, Glouster, Massachusetts, 1979.

25. *Ibid.*, III:VI, p. 150. Cf. Harrison, *Prolegomana*, ch. 1.

26. *Ibid.*, III:XIV, p. 205.

27. *Ibid.*, III:XV, pp. 205–6.

28. *Ibid.*, III:XV, pp. 208–9.

(Ex. 23:27), for their altars had to be destroyed (Ex. 34:13). "Speak unto the children of Israel, and say unto them, When ye are passed over Jordan into the land of Canaan, then ye shall drive out all the inhabitants of the land from before you, and destroy all their pictures, and destroy all their molten images, and quite pluck down their high places; and ye shall dispossess the inhabitants of the land, and dwell therein; for I have given you the land to possess it" (Num. 33:51–53). It was also forbidden for the Israelites to intermarry with foreigners who were not under the covenantal authority of God (Deut. 7:3–4).

How could God deny His own sovereignty? He was the God who had delivered His people from Egypt, demonstrating that He was no local god, but a God over all kingdoms. Pharaoh had not conquered God by subjugating His people. Pharaoh had wanted to negotiate with God through Moses, but God had issued a non-negotiable demand to let His people go for one week to worship Him.[29] When Pharaoh refused to capitulate, God destroyed him. No self-proclaimed human divinity could come before God as an equal. No common rites were possible between God's people and the foreign gods of pagan cities.

It was this issue that got the early church into a life-and-death confrontation with Rome. Members were willing to be honest citizens, but they could not be citizens in Rome's view. They refused to participate in the rites of the Empire. The Roman pantheon was filled with the gods of the various conquered nations, which was the basis of the peace treaty between Rome and each of its subject peoples, but neither Israel nor the church could conform to the ritual terms of this treaty. Israel was scattered in the diaspora in the second century A.D., and the church was intermittently persecuted until Constantine's era. This is why Fustel could write, "The victory of Christianity marks the end of ancient society."[30]

When God told the Israelites they could not make graven images or worship them, He was announcing the terms of the dominion covenant. There had to be religious separation in Israel. They were to be isolated culturally from pagan nations. But this prohibition was more than a means to separate the Israelites culturally from their neighbors. It was a call to conquest. There could be no peace treaties with the people dwelling in the land which God had given to them; God imposes unconditional surrender or ultimate extinction.[31]

29. Chapter 10.
30. Fustel, *Ancient City*, V:III, p. 389.
31. North, *Unconditional Surrender*.

C. The Compounding Process

We come now to the reason given for the prohibition against constructing graven images. The reason is that God is a jealous God. What kind of God is that? It is a God who visits the iniquity of the fathers on subsequent generations of ethical rebels. It is also a God who shows mercy to generations of covenantally faithful people. The presence or absence of graven images testifies to the spiritual condition of the two ethically distinct and ritually distinct types of people.

The heart of the description of the jealous God is the *covenantal process of compound growth*: either growth unto destruction or growth unto dominion. History is linear. It develops over time. What goes before affects what comes after. Nevertheless, it does not *determine* what comes after. God determines both the "before" and the "after." God is sovereign, not the forces of history. But the criteria of performance are ethical. We know which covenant we are in by evaluating the external events of our lives in terms of God's list of blessings and curses (Deut. 28).[32]

1. The Iniquity of the Children

We read: "[F]or I the Lord thy God am a jealous God, visiting the iniquity of the fathers upon the children unto the third and fourth generations…" (Ex. 20:5b). This verse is frequently misunderstood. It does not say that God punishes sons for the sins of their fathers. The Bible's testimony concerning the responsibilities of children for the sins of their fathers is clear: "The fathers shall not be put to death for the children, neither shall the children be put to death for the fathers: every man shall be put to death for his own sin" (Deut. 24:16). This principle was reaffirmed by Ezekiel: "The soul that sinneth, it shall die. The son shall not bear the iniquity of the father, neither shall the father bear the iniquity of the son: the righteousness of the righteous shall be upon him, and the wickedness of the wicked shall be upon him" (Ezk. 18:20). We therefore must interpret the unique phrase, "visiting the iniquity of the fathers upon the children," in terms of this clearly stated principle of judgment.

What we have in view here is *a covenantal framework of reference*. The Hebrews had just come out of Egypt. They and their ancestors had labored under slavery. The year of release had not been honored by their captors. Year after year, the Egyptians had built up their cities by the

32. North, *Inheritance and Dominion*, chaps. 69, 70.

use of Hebrew labor. This capital base kept expanding. The wages that would have been paid to free laborers, as well as the capital that was to be given to slaves in the year of release (Deut. 15:13–14), was retained by succeeding generations of Egyptians. Thus, the later generations became the beneficiaries of the compounding process.[33] They were richer, they supposed, than their ancestors because they possessed the visible manifestations of labor extracted illegally over decades.

Then came God's judgment. With the compound growth of the visible benefits came the compound judgment of God. Both had built up over time. The final generation suffered incomparable judgment because they had not repented, made restitution voluntarily, and freed the Hebrews. For God not to have judged that final generation in terms of the benefits they had received illegally—benefits conveyed to them as a continuing legacy from their ancestors—would have been an act of extreme mercy on the part of God.

2. Repeated Iniquities

The iniquities of the fathers were repeated by the sons. The fathers escaped the full temporal retribution of God. In this sense, God showed them mercy, in time and on earth. But the sons also did not repent. They continued in the sins of their fathers. If anything, they enjoyed the luxury of sinning even more flagrantly, because they were the beneficiaries of a larger capital base—a capital base of evil.

How long will God allow the sins of the heirs to go on? Unto the third and fourth generation. How long had the Hebrews been under the dominance of Egypt? Three generations.[34] The historical precedent should have been obvious to any Hebrew in Moses' day. God *visits the iniquity* for several generations. He *punishes* iniquity, according to one possible translation. He *numbers* iniquities, according to another.[35] It can also mean *remember* (I Sam. 15:2).

The sons of the final generation in Egypt indulged in the sins of their fathers. The same sins were popular. God numbered or remembered these sins. This is the meaning of "visiting the iniquity." He visits and sees the sins, generation after generation. A satanically cov-

33. Chapter 6.

34. Kohath, Moses' grandfather, was alive before the descent into Egypt (Gen. 46:11). His son was Amram (Ex. 6:18), Moses' father (Num. 26:59). For a discussion of the problem of the period of Israel's sojourn in Egypt, see Donovan Courville, *The Exodus Problem and its Ramifications*, 2 vols. (Loma Linda, California: Challenge Books, 1971), I, pp. 137–41.

35. Numbers 1:44; 4:37, 41, 45, 46, 49.

enantal society becomes skilled in certain sins. There is a systematic specialization in particular evils. Men are creatures. They are limited. *Men have to specialize in order to achieve their goals.* This is as true of sinfulness (and righteousness) as it is of economic production. As time goes on, the sinners get very good at what they are doing. Their unique cultural sins compound over time. As God put it with reference to the iniquity of the Amorites, their cup had to be filled up before the heirs of Abraham could inherit the promised land (Gen. 15:16b).[36] The cup of iniquity of the Egyptians filled up one generation (40 years) before the cup of the Amorites filled up. Thus, in the fourth generation (Kohath's generation to Joshua's), Israel returned to Canaan, just as God had promised (Gen. 15:16a).

The compounding process that builds up *the capital base of iniquity* explains Isaiah 65:7: "I will repay your iniquities, yours and your fathers, all at once, says the Lord, because they burnt incense on the mountains and defied me on the hills; I will first measure out their reward and then pay them in full" (NEB). It is not that the sons have broken with the sins of the fathers, but nonetheless are going to be judged in terms of their fathers' rebellion. On the contrary, it is that the sons have become *even more efficient* in sinning. Mercy had been shown to the fathers in not destroying them. The fathers had been able to pass down a *legacy of evil* to the sons. Thus, the sons suffer for their own sins, but their sins are more deserving of judgment, for this final generation has not repented in thankfulness for the mercy shown to their fathers by God. The final generation exists only because God had not destroyed their fathers, yet they refuse to repent. God's massive judgment is just, for their sin is greater. Why? Because, first, they did not repent in the face of God's mercy to their fathers, and second, because they have inherited a legacy of evil that has built up over time—a covenantal inheritance of death.

3. Mercy Unto Thousands

In contrast to the compounding process of evil, which is cut short after a few generations, stands God's promise to show mercy to thousands of those who keep His commandments. Cassuto interpreted this to mean *thousands of generations*. Nachmanides translated it: "He showeth mercy unto the thousandth generation."[37] The contrast is

36. North, *Sovereignty and Dominion*, ch. 23.

37. Ramban, *Commentary on the Torah: Exodus* (New York: Shilo Publishing House, [1250s?] 1973), p. 300.

between a few generations and many—so many that it really means eternity. Cassuto cited Deuteronomy 7:9: "Know therefore that the Lord thy God, he is God, the faithful God, which keepeth covenant and mercy with them that love him and keep his commandments to a thousand generations."[38] The next verse is also significant, although Cassuto neglected it: "And repayeth them that hate him to their face, to destroy them: he will not be slack to him that hateth him, he will repay him to his face" (Deut. 7:10).

This is one of the most optimistic concepts in the Bible. What God is saying is that *the works of evil will be cut short*, sometimes after three or four generations, and sometimes immediately. The process of compound growth for the sinners will not go on forever, in contrast to the compounding process for the righteous. The evils of the sinners overtake them; their cup becomes full and they are destroyed. But for the righteous man and the righteous society, the cup runneth over (Ps. 23:5b). Even the now-empty cup of the vanquished wicked—the economic base in which sin was finally filled to the brim—is inherited by the righteous. "A good man leaveth an inheritance to his children's children: and the wealth of the sinner is laid up for the just" (Prov. 13:22b).[39]

Could the Hebrews really have understood all this? In general, yes. Abraham had been told that the fourth generation would inherit the land of Canaan. This was the generation that succeeded Moses' generation. The children of the exodus were told this explicitly by God, with respect to the external blessings that He was about to give them, and were reminded of their covenantal responsibility to obey His law and teach it to their children (Deut. 6:5–9).[40]

> And it shall be, when the Lord thy God shall have brought thee into the land which he sware unto thy fathers, to Abraham, Isaac, and to Jacob, to give thee great and goodly cities, which thou buildest not, and houses full of good things, which thou filledst not, and wells digged, which thou plantedst not; when thou shalt have eaten and be full; Then beware lest thou forget the Lord, which brought thee forth out of the land of Egypt, from the house of bondage (Deut. 6:10–12).

The compound growth rate of evil is temporary. Such growth is always brought into judgment by God. The "positive feedback" of

38. U. Cassuto, *A Commentary on the Book of Exodus*, trans. Israel Abrahams (Jerusalem: The Magnes Press, The Hebrew University, [1951] 1974), p. 243.

39. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 40

40. North, *Inheritance and Dominion*, ch. 15.

growth is always overturned by the "negative feedback" of judgment —sometimes overnight, as in the case of Babylon when it fell to the Medo-Persian Empire (Dan. 5). *The compound growth rate of righteousness is long term*. More than this: it is perpetual. God shows mercy to thousands of generations, meaning throughout history and (symbolically) beyond history. But this growth process does include history; generations are historical phenomena. There can be intermittent departures from faith by God's covenant people. This interrupts the growth process. But the contrast is between a *brief period* of three or four unrighteous generations and a *stupendously long period* of mercy to those who love God and keep His commandments. The magnitude of the growth period of mercy and mercy's works is enormous, compared with the growth period of evil. This fact points to comprehensive dominion by God's people in history. It points to the fulfilment of the dominion covenant in history.

(a) Exponential Righteousness

The implication should be obvious: *the capital base of righteousness will grow to fill the earth over time*. Even a little growth, if compounded over a long enough period of time, produces astronomically large results—so large, in fact, that exponential growth points to an eventual final judgment and an end to time, with its cursed, scarce creation.[41] The righteous widow's two mites (Luke 21:2–4), if invested at 1% per annum over a thousand generations, would be worth more than all the wealth on earth. In other words, the concept of "a thousand generations" is symbolic; it means everything there is, a total victory for righteousness. Furthermore, this victory is no overnight affair; it comes as all growth processes come for a society: step by step, line upon line, here a little, there a little.

The sheer magnitude of righteousness' compounding capital base will inescapably overcome the feeble capital structure of iniquity, as surely as God's army will overcome Satan's. Men who work diligently and faithfully in terms of God's law can legitimately have confidence in the snowball effect of their efforts. There can be a comparable snowball effect for rebellious societies, but rebellion's snowball eventually is melted by the heat of God's fury. Four generations of compounding—even "leveraged" compounding—cannot match a thousand generations of compounding.

41. Chapter 17; cf. North, *Sovereignty and Dominion*, p. 237.

(b) Kingdoms: Simultaneously Internal and External

It is difficult to interpret Exodus 20:4–6 in terms of the idea that Satan's kingdom grows externally, but God's kingdom grows only internally. If Satan's kingdom is essentially external and cultural, rather than both internal ("spiritual") and external, then why did Satan demand that Jesus worship him? On the other hand, if God's kingdom is essentially internal ("spiritual") and not also external and cultural, then why does He demand visible conformity to His commandments? Even more important, why does God promise external blessings to those who conform themselves to his law (Deut. 8:1–13),[42] and warn against the lure of the religion of autonomous man when those blessings tempt men to forget God (Deut. 8:14–17)?[43] Why should God tell His people not to worship graven images, and then immediately thereafter list all the external blessings—agricultural and military blessings, plus peace—that they can confidently expect if they obey this commandment (Lev. 26:1–12)? The answer should be obvious. *Both kingdoms are simultaneously internal ("spiritual") and external*; the spirit and the flesh are interconnected. Both kingdoms operate in the supernatural realm and in the temporal realm. Both seek dominion over the creation. Both have periods of growth, internally and externally. But Satan's kingdom is cut down early, "in the midst of its prime," so to speak, just as Jesus was cut off in the midst of His prime, and the animals sacrificed in the Old Testament were cut off in the midst of their prime,[44] so that God's kingdom might have long life and not suffer the judgment of Satan's kingdom.

The comparative growth rates are, of course, symbolic. Egypt's case was literal, and the Hebrews should have recognized the power of God to bring His word to pass. Nevertheless, some pagan societies have gone on in their rebellion far longer than four generations. The Roman Empire is one historical example, although the Pax Romana lasted less than two centuries before the Empire began to be subjected to major crises. The point is, *compared to the long-term growth of God's kingdom, in time and on earth as well as beyond the grave, Satan's earthly kingdoms are short-lived*. The mercy that God shows to pagan kingdoms by not bringing judgment on them the moment they trans-

42. North, *Inheritance and Dominion*, ch. 14.

43. *Ibid*., ch. 21.

44. Young turtledoves or young pigeons (Lev. 5:7), young bullocks (Ex. 29:1; Num. 28:11, 19), a three-year-old heifer, goat, and ram (Gen. 15:9), a virgin heifer which has never been yoked (Deut. 21:3), and the archetype of all sacrifices, the lamb (Gen. 22:7; Ex. 12:3–5; etc.).

gress His law is ultimately a form of judgment. They receive common grace, meaning an unmerited and temporary gift of an extension of time without judgment, but this only increases the magnitude of the eventual wrath of God.

We should not expect to see Satan's kingdom cut down overnight in the future, after having attained a position of universal dominion. The process of growth for Satan's kingdom is not continuous. The "negative feedback" phenomenon of external judgment repeatedly cuts back the growth of Satan's external dominion long before it can achieve worldwide dominion. These verses point to a far different future: the steady growth of Christ's kingdom as the *leaven of righteousness* overwhelms and replaces the God-hindered leaven of Satan's kingdom.[45]

(c) The Gambler

Satan's kingdom manifests itself intermittently during temporary periods of exceedingly rapid growth, but this growth cannot be sustained for "a thousand generations." The growth rate of Satan's kingdom is the growth rate of the gambler who has a string of successful bets, or the highly leveraged (indebted) investor who predicts the market accurately for a time and multiplies his wealth with borrowed money. Such growth is rapid, but it cannot be sustained. It is the growth rate of a person who has *limited time*, and who must make his fortune in one lifetime. He requires rapid growth, for he has no faith in long-term growth over many generations. The compound growth rate must be high, and it must be rapid, for it will not last for long.

Paganism and gambling are closely linked, especially in periods of declining social order. Rushdoony wrote: "Gambling comes to have a religious prominence and passion in the minds of men, so that it is more than a mere pastime: it is a hope for life.... The gambler denies implicitly that the universe is under law; he insists that 'all life is a gamble' and a falling brick can kill you, and totally meaningless events always surround you, because chance, not God, is ultimate. Since chance, not God, rules the universe, causality does not prevail. It is therefore possible to get something for nothing, and the gambler, knowing what the odds are, nevertheless expects chance to overrule law and enrich him."[46] The gambler believes in law-overcoming

45. North, *Unconditional Surrender*, pp. 283–92.

46. R. J. Rushdoony, *Politics of Guilt and Pity* (Vallecito, California: Ross House, [1970] 1995), p. 217.

chance, or luck. Such an outlook was dominant during the Roman Empire, and it destroyed the foundations of classical civilization.[47]

Such an outlook is also the ideology of the revolutionary. Faith in the great revolutionary discontinuous event, the run of successful bets, or the overnight "killing" in the market marks *the short-run view of fallen man*.[48] Continuity holds no promise of victory for him, for he knows that *time and continuity are his great enemies*. The run of luck for a gambler cannot hold; the law of averages (statistical continuity) eventually reasserts itself. Similarly, the traditions and habits of men (social and ethical continuity) thwart the revolutionary; if the revolutionaries cannot capture the seats of central power overnight, in a top-down transfer of power to the newly captured central government, they fear that all will be lost.[49]

Even a successful revolution is threatened by institutional continuity: lethargy, corruption, bureaucracy. This was the fate of the Soviet Union.[50] To overcome these results, Communists argued for the necessity of continual revolutions. Trotsky[51] and Mao[52] both called

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47. Charles Norris Cochrane, *Christianity and Classical Culture: A Study of Thought and Action from Augustus to Augustine* (New York: Oxford University Press, [1944] 1957), p. 159. Reprinted by Liberty Fund.

48. Karl Marx, who spent most of his life in self-imposed poverty, inherited a fortune in 1864. As the money was being sent in chunks, Marx invested in the stock market. He wrote to Engels on July 15: "If I had the money during the last ten days, I would have been able to make a good deal on the stock exchange. The time has come now when with wit and very little money one can make a killing in London." As his biographer reports, a year later he was again begging for money from Engels. Robert Payne, *Marx* (New York: Simon & Schuster, 1968), p. 353. Marx was supported entirely by Engels, a successful businessman, from the early 1870s until his death in 1883. Engels, had sent him money for decades. In contrast to Marx's profligate, gambling ways was his uncle, Lion Philips, who despised his nephew. Philips' grandsons founded the Philips Company, which is still one of the largest manufacturing companies in Europe. In the United States, it is known as the North American Philips Company, or Norelco.

49. Lenin wrote a secret message from his hiding place to the Bolshevik Central Committee on Oct. 8, 1917, a few days before the Communists captured Russia. It outlined the tactics for the capture of power. He ended his letter with these words: "The success of both the Russian and the world revolution depends on two or three days' fighting." "Advice of an Onlooker," in Robert C. Tucker (ed.), *The Lenin Anthology* (New York: Norton, 1975), p. 414.

50. Konstantin Simis, USSR: *The Corrupt Society: The Secret World of Soviet Capitalism* (New York: Simon & Schuster, 1982); Michael Voslensky, *Nomenklatura: The Soviet Ruling Class* (Garden City, New York: Doubleday, 1984).

51. *The Age of Permanent Revolution: A Trotsky Anthology*, ed. Isaac Deutscher (New York: Dell, 1964).

52. "Revolution was the proper occupation of the masses, Mao believed, for only through perpetual revolution could he realize his vision of an egalitarian collective society." Dennis Bloodworth, *The Messiah and the Mandarins: Mao Tse-tung and the Ironies of Power* (New York: Atheneum, 1982), p. 187.

for a continuing series of revolutions, echoing the instruction given to Communist proletarians by Karl Marx in 1850: "Their battle cry must be: The Revolution in Permanence."[53] Billington traced the idea back to the Bavarian Illuminati.[54] Thomas Jefferson used similar language: "What signify a few lives lost in a century or two? The tree of liberty must be refreshed from time to time with the blood of patriots & tyrants. It is its natural manure."[55] He was writing of Daniel Shays' rebellion (1786–87), the reaction against which became one of the main motivations of the Constitutional convention in 1787.[56] Yet here was Jefferson, writing: "God forbid we should ever be 20 years without such a rebellion."

God's people, on the contrary, should have faith in both time and continuity.[57] God governs both. The steady efforts of the godly man accomplish much. God's word does not return to Him void (Isa. 55:11). Through the covenantal community, over time, each man's efforts are multiplied for "thousands of generations." The regenerate person should expect a long-term return from his efforts: the establishment and steady expansion of the kingdom of God, in time and on earth, and then beyond the grave.

Conclusion

The prohibition against graven images is fundamentally a prohibition against man's worshipping the works of man. When man worships an image created by man, he does not worship the Creator, whose image man is. He is worshipping something less than man. All men should see this, but only regenerate men do. The *prohibition of graven images* should therefore be understood as the *repudiation of humanism* (Ex. 20:4). All forms of *idolatry* are ultimately variations of *self-worship*, for it is man, as a self-proclaimed sovereign being, who asserts the right to choose whom he will worship in place of God. Man, the sovereign, decides.

Men are called to exercise dominion over all creatures, but ethically

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53. Marx, "Address of the Central Committee to the Communist League" (1850), in Karl Marx and Frederick Engels, *Selected Works*, 3 vols. (Moscow: Progress Publishers, [1969] 1977), I, p. 185. A similar call was made by Tolstoy: ". . . the only revolution is the one that never stops." Cited by Billington, *Fire in the Minds of Men*, p. 417.

54. Billington, *Fire in the Minds of Men,* p. 597, note 309.

55. Jefferson to William S. Smith, Nov. 13, 1787, from Paris; in *Thomas Jefferson: Writings* (New York: Library Classics of America, 1984), p. 911.

56. Gary North, *Conspiracy in Philadelphia: Origins of the United States Constitution* (Harrisonburg, Virginia: Dominion Educational Ministries, Inc., 2004), Appendix B.

57. Chapter 12.

rebellious men worship images of creatures (Rom. 1:22).[58] Sometimes these images are graven images; sometimes they are mirror images. In either case, men bow down to the creation. What appears to be *an act of human autonomy*—worshipping the creation of one's own hands—is ultimately *an act of subordination to the dark one* who is supposed to be judged by men, not worshipped by men, and who will be judged by God's people (I Cor. 6:3).

The fulfillment of the dominion covenant is based on simultaneous *subordination and rulership*.[59] Men are under God and over the creation. There is no escape from the governing principle of subordination and fulfillment. It is an inescapable concept. The questions are: To whom will men be ethically subordinate, and over what will they exercise dominion? Whose ethical yoke will men wear: Christ's or Satan's? *Men cannot operate without an ethical yoke*. Whose law-order will they uphold and conform themselves to?

When men worship the creature, including man, they are worshipping Satan, who is temporally and temporarily the most powerful of creatures. *They have adopted a religion of exclusively temporal power*. Supernatural forces may or may not be invoked, but the goal is the same: the acquisition of temporal power. Anton Szandor LaVey, the founder of the Church of Satan in the mid-1960s, put it well: "Anyone who pretends to be interested in magic or the occult for reasons other than gaining personal power is the worst kind of hypocrite."[60] This is the heart and soul of all Baal worship. But Satan's rule is doomed. It can grow in influence culturally for short periods, but ultimately temporal judgment comes, as it came to the Egyptians. The capital investment of the idol-worshippers is eventually squandered, destroyed, or inherited by the faithful.

On the other hand, when men worship God, they place themselves within a covenantal framework that is guaranteed for "thousands of generations." They can take dominion over the external realm because they operate in terms of God's tool of dominion, His law. Time and continuity are not the enemies of God's people, for long-term growth eventually brings prosperity to the spiritual, covenantal heirs of the faithful. The *continuity of faith* over time brings the *continuity of expansion* over time, spiritually and culturally.

58. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 2.

59. North, *Sovereignty and Dominion*, ch. 8.

60. Anton Szandor LaVey, *The Satanic Bible* (New York: Avon, 1972), p. 51.

Men are to seek covenantal dominion, not autonomous power. Dominion comes through obedience to God. God possesses ultimate authority. Man cannot escape being subordinate to something ultimate, and this ultimate something is God. By refusing to make graven images, the ancient Hebrews ritually affirmed that their covenantal yoke was imposed by God, not by themselves.

To whom will a man or society be subordinate: God or Satan? Will a man become part of God's hierarchy or, as C. S. Lewis puts it in his *Screwtape Letters*, part of Satan's "lowerarchy"? Whose covenantal yoke will men wear, Christ's or Satan's? There is no escape from yokes; the question is: Whose? The issue of hierarchy and obedience is crucial in this commandment. God commands men to worship Him, and not to attempt to escape subordination to Him by seeking autonomy. Worshipping anything other than God is an affirmation of autonomy, for man autonomously determines for himself that he will worship something other than God. The second commandment prohibits man from setting up any visible manifestations of a representative of any supernatural authority other than God.

23

LAWFUL TITLE

Thou shall not take the name of the Lord thy God in vain; for the Lord will not hold him guiltless that taketh his name in vain.

EXODUS 20:7

The theocentric principle here is God's control over the use of His name. This commandment asserts a property right. This commandment parallels the eighth commandment, "Thou shalt not steal." Both are aspects of point three of the biblical covenant: boundaries.[1]

A. God's Name and God's Covenant

The covenant is a systematic judicial arrangement. The name of God is at the center of the covenant. To deny that God is the God of the patriarchs, Moses, and the conquest of Canaan is to deny His name. When studying the name of God, it is safest to begin where God begins: with what God says about who He is.

1. Sovereignty

God has a name. He is the source of His name. Covenantally speaking, He is the owner of His name because He is absolutely sovereign. Theologians speak of the *aseity* of God. This means that God is *self-existent*. So rare is this concept today that standard dictionaries sometimes do not include the word.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 3.

When Moses asked God who he should say had sent him to the Israelites, God replied, "I AM THAT I AM: and he said, Thus shalt thou say unto the children of Israel, I AM hath sent me unto you. And God said moreover unto Moses, Thus shalt thou say unto the children of Israel, The LORD God of your fathers, the God of Abraham, the God of Isaac, and the God of Jacob, hath sent me unto you: this is my name for ever, and this is my memorial unto all generations" (Ex. 3:14–15). (The Hebrew can also be translated, "I will be who I will be.") We learn, first, that He is the self-defining God: "I am." Second, we learn that He is the God of Israel's history. So, He is eternal, yet He enters into history. That is, He is both transcendent and immanent. This is point one of the biblical covenant.[2]

Any creature who claims to be the Creator has violated the third commandment. Any agent of such a usurper has identified himself as an interloper. He has profaned God's name. The original name violation was the serpent's.

> Now the serpent was more subtil than any beast of the field which the LORD God had made. And he said unto the woman, Yea, hath God said, Ye shall not eat of every tree of the garden? (Gen. 3:1).

> And the serpent said unto the woman, Ye shall not surely die: For God doth know that in the day ye eat thereof, then your eyes shall be opened, and ye shall be as gods, knowing good and evil (Gen. 3:4–5).

He implied that God's word is unreliable. He implied that God was envious of Adam and Eve, withholding what was legitimately theirs. The serpent asserted God's ulterior motive: to deny to Adam and Eve their ability right to become gods, knowing good and evil. In other words, the serpent insisted that God is not who He said He is, and what He said would happen to them for violating His command would not happen. This was false testimony about the Creator God who defines Himself and defines reality, rendering judgment on it, both in history and at the final day. "Hath God said?" is the age-old false rhetorical question of covenantal rebels.

Another example of name violation is Ben-hadad's, the Syrian king, whose forces had been defeated by the Northern Kingdom, whose king was the monstrous Ahab. Ben-hadad had even worse counsellors than Ahab had.

> And the servants of the king of Syria said unto him, Their gods are gods of the hills; therefore they were stronger than we; but let us fight against

2. Sutton, ch. 1; North, ch. 1.

> them in the plain, and surely we shall be stronger than they. And do this thing, Take the kings away, every man out of his place, and put captains in their rooms: And number thee an army, like the army that thou hast lost, horse for horse, and chariot for chariot: and we will fight against them in the plain, and surely we shall be stronger than they. And he hearkened unto their voice, and did so (I Kings 20:23–25).

Ben-hadad invaded again, and again he was defeated. God defended His name and His authority as the universal God, not a god of the local hills. He was willing to let a low-life scoundrel like Ahab have the military victory in preference to Ben-hadad's having the victory in the name of another god. The infraction of the Syrian counsellors was profanity: false testimony about the nature and character of God. Their profanity was not a verbal curse. It had to do with a theological infraction: claiming that God is not who He said He is.

2. Hierarchy

Title sometimes conveys the sense of *office*. We identify a high official by the title he possesses in the organization. It is a means of *ranking*. "Let them praise the name of the LORD: for his name alone is excellent; his glory is above the earth and heaven" (Ps. 148:13). Christians affirm: "That at the name of Jesus every knee should bow, of things in heaven, and things in earth, and things under the earth" (Phil. 2:10). Hierarchy is point two of the biblical covenant.

Possessing lawful title His own name, God identified Himself with the Israelites. God told Moses, "And thou shalt say unto Pharaoh, Thus saith the LORD, Israel is my son, even my firstborn: And I say unto thee, Let my son go, that he may serve me: and if thou refuse to let him go, behold, I will slay thy son, even thy firstborn" (Ex. 4:22–23). The Israelites owed God worship. This is what Pharaoh denied.

Another aspect of point two is *representation*. The Israelites would represent God to the nations. The Israelites had the right—in fact, the covenantal obligation—to identify their names with His. By the time God gave the Israelites His law, the Canaanites knew the connection between the Israelites and God (Josh. 2:9–11).

3. Boundaries

Point three involves boundaries or limits on what man can lawfully do. There is a sacred boundary around God and His name. When Moses came before the burning bush, God said: "Draw not nigh hither: put off thy shoes from off thy feet, for the place whereon thou

standest is holy ground. Moreover he said, I am the God of thy father, the God of Abraham, the God of Isaac, and the God of Jacob. And Moses hid his face; for he was afraid to look upon God" (Ex. 3:5–6). The ground itself was sacred because of its proximity to a theophany of God. God therefore told Moses to remove his shoes. Next, God explicitly identified Himself with the patriarchs. Then He identified Himself with the Israelites. "And the Lord said, I have surely seen the affliction of my people which are in Egypt, and have heard their cry by reason of their taskmasters; for I know their sorrows" (v. 7).

God was about to take back His people from Pharaoh, who had stolen them and placed them in bondage. "And I will take you to me for a people, and I will be to you a God: and ye shall know that I am the Lord your God, which bringeth you out from under the burdens of the Egyptians" (Ex. 6:7).

Pharaoh had claimed to be the owner of Israel-Jacob. In doing so, he violated God's property. He also violated God's title as the sovereign Lord over Israel. It was an assertion of sovereignty. This was the dividing issue of the exodus.[3]

God's revealed law is an aspect of dominion. God's revealed laws are to serve as a way to evangelize covenant-breakers. Keeping the law is an aspect of honoring the name of God among the nations.

> But ye that did cleave unto the Lord your God are alive every one of you this day. Behold, I have taught you statutes and judgments, even as the Lord my God commanded me, that ye should do so in the land whither ye go to possess it. Keep therefore and do them; for this is your wisdom and your understanding in the sight of the nations, which shall hear all these statutes, and say, Surely this great nation is a wise and understanding people. For what nation is there so great, who hath God so nigh unto them, as the Lord our God is in all things that we call upon him for? And what nation is there so great, that hath statutes and judgments so righteous as all this law, which I set before you this day? (Deut. 4:4–8).[4]

Moses gave the law to Israel in preparation for the invasion and conquest of Canaan. When the third generation refused to invade (Num. 14), God's curse on them was four decades of their wandering in the wilderness. When it was time for the fourth generation to invade, Moses recapitulated the law: Deuteronomy. Biblical law is an aspect of dominion.

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3. Part 1.

4. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 8.

The third commandment establishes that God possesses title to His name. Title here refers to property. We say that the owner of property possesses *lawful title* to the property. His name is on the certificate of ownership. This ownership is limited to whatever is described in the title. The property has *boundaries*. We also speak of *entitlement*. A person is owed something because he has a legal right to it. Such a person is *entitled* to something. For example, God is entitled to praise, based on His name. "Let them praise the name of the LORD: for his name alone is excellent; his glory is above the earth and heaven" (Ps. 148:13).

4. Oath

The males of Israel were marked by circumcision: point four, the oath sign.[5] This was a form of branding. God's mark was on them. Their flesh testified to the nation they belonged to. This branding was crucial for the Abrahamic Covenant. It was a sign of God's ownership of them. Yet this was specifically a covenant mark: a negative sanction brought against the flesh.

When ownership is legally established, there must be witnesses to confirm possession of title. Strict monotheism has no doctrine of original witnesses. Christianity does. There are two witnesses to testify to the ownership rights of each individual owner. "And I subscribed the evidence, and sealed it, and took witnesses, and weighed him the money in the balances" (Jer. 32:10).

Usually, the commentators focus on prohibited oaths as the central issue in this commandment. This would place it under point four. But it appears under point three. This has greatly influenced my exposition of the commandment.

5. Continuity

We say that title can be passed to a new owner. That is, the property described in the certificate of ownership continues to exist. Its boundaries do not change because of the change of ownership. The title changes. In the case of God's name, there is no change of title. In this case, the title is the property. Both the title and the property are continuous. "For I am the LORD, I change not; therefore ye sons of Jacob are not consumed" (Mal. 3:6).

5. On circumcision as an oath sign, see Meredith G. Kline, *By Oath Consigned: A Reinterpretation of the Covenant Signs of Circumcision and Baptism* (Grand Rapids, Michigan: Eerdmans, 1968), ch. 3.

God owned the land of Canaan. He had passed title in Abraham's day to the fourth generation. "But in the fourth generation they shall come hither again: for the iniquity of the Amorites is not yet full (Gen. 15:16).[6] Yet this extension of God's kingdom could be maintained only by Israel's obedience to God's revealed law: ethics, point three. "And it shall be, if thou do at all forget the LORD thy God, and walk after other gods, and serve them, and worship them, I testify against you this day that ye shall surely perish. As the nations which the LORD destroyeth before your face, so shall ye perish; because ye would not be obedient unto the voice of the LORD your God" (Deut. 8:19–20).[7] This is the covenantal basis of the command not to take God's name in vain.

B. To Take or Misuse

The key verb in the passage is the Hebrew word for "take." Unfortunately for expositors, it is one of the most frequently used words in the Old Testament, and it is used in about 45 different ways. This has led to considerable confusion on the part of commentators.

I believe that the King James Version's translators were correct in selecting "take" to translate the word. To take something is to remove it from its owner's immediate control. This transfer can be according to the terms of a contract between two individuals, one of whom is the owner, or it can be a violation of the owner's property right.

The second commandment is about hierarchy. Man is not to bow down to any god other than the God who delivered the Israelites out of bondage. In this sense, the second commandment re-affirms the principle of stewardship. God is over man. Man is accountable to God.

The third commandment extends the second commandment's principle of delegation. Because this commandment is presented as a prohibition, it implicitly affirms an authorization. The illegitimate use of God's name by man implies a legitimate use of God's name by man. Man is a steward and a priest. God delegates the use of His name to men. But, as with all other aspects of this delegated sovereignty, there are stipulations, meaning terms of use. The third commandment lays down the law of the covenant regarding God's name. It must not be misused. The translators selected "vain" as the modifier.

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6. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), ch. 23.

7. North, *Inheritance and Dominion*, ch. 23.

What does the Hebrew word that is translated as "vain" really mean? Generally, it refers to something that is false. Later, in the section in Exodus on the case laws, we read: "Thou shalt not raise a **false** report: put not thine hand with the wicked to be an unrighteous witness" (Ex. 23:1). Even more to the point, in the section of Deuteronomy that re-states the Ten Commandments, the ninth commandment uses the Hebrew word for "vain": "Neither shalt thou bear **false** witness against thy neighbour" (Deut. 5:20). Isaiah warned the people regarding the nation: "None calleth for justice, nor any pleadeth for truth: they trust in vanity, and speak **lies**; they conceive mischief, and bring forth iniquity" (Isa. 59:4). Hosea said, "They have spoken words, swearing **falsely** in making a covenant: thus judgment springeth up as hemlock in the furrows of the field" (Hosea 10:4).

This commandment prohibits the deliberate misuse of God's name in any formal declaration. The transgression seems to contain an element of deception, something that pays the violator to promote falsehood by using God's name. The commentators have not agreed on the nature of this declaration. In fact, most of them have not even mentioned it. Another issue fascinates them: profanity.

C. Profanity

Because of a tradition of biblical exposition going back for many centuries, this law is usually interpreted as the misuse of God's name in a verbal oath. It is usually equated with obscenity: a verbal violation of social standards. But profanity is different from obscenity. It has to do with an oath. It is an oath in a formal sense: a self-maledictory oath.

Most commentators say little about this law, and when they do, they focus on swearing, not in the sense of a false oath in a court, but in the sense of profanity. There is a sense in which profanity does apply to such language, but the commentators rarely explain the underlying meaning of profanity. As I discuss at length in the full version of my commentary on Leviticus, *profanity is a boundary violation of a sacred object or sacred space*. It is the misuse of something holy in the sense of holiness as something sacred.[8] God's name is surely sacred. So, the misuse of God's name in cursing is a form of profanity. But it is not the only one. Theologically, it is not the main one.

A verbal curse is an aspect of the oath: point four of the biblical covenant. The oath is associated with sanctions: specifically, the

8. Gary North, *Boundaries and Dominion: The Economics of Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 6.

self-maledictory oath of a covenant. An ordained covenantal agent of a local church in an excommunication lawfully curses another person. He calls down God's negative sanctions on the excommunicant. This is the meaning of a covenantal curse. This is not profanity.

Profanity's words may parallel a legitimate verbal oath, but it is performed unlawfully, outside of formal excommunication. The problem with this definition of profanity is that it, too, is associated with point four of the biblical covenant: oath/sanctions. The commentators usually focus on this narrowly circumscribed aspect of profanity. The common verbal habit of using God's name to emphasize a point is a misuse of God's name. The question here is this: Why is the third commandment, which has to do with boundaries, almost universally associated by the commentators with the judicial issue that point four of the biblical covenant is concerned with, *oath*?

Profanity in the context of the third commandment explicitly has to do with *false testimony*. The text does not mention a curse as an aspect of profanity, nor does it mention loose language. The commentators have ignored this for centuries. They write as if this commandment has as its focus intemperate language rather than false language.

Profaning the name of God has to do far more with disobedience in general than with verbal oaths. "Therefore shall ye keep my commandments, and do them: I am the Lord. Neither shall ye profane my holy name; but I will be hallowed among the children of Israel: I am the Lord which hallow you, That brought you out of the land of Egypt, to be your God: I am the Lord" (Lev. 22:31–33). Under the Mosaic Covenant, profanity also had to do with offering false sacrifices.

> And thou shalt not let any of thy seed pass through the fire to Molech, neither shalt thou profane the name of thy God: I am the Lord (Lev. 18:21).

> They [priests] shall be holy unto their God, and not profane the name of their God: for the offerings of the Lord made by fire, and the bread of their God, they do offer: therefore they shall be holy (Lev. 21:6).

In the first edition of this book, I followed Rushdoony's exposition in developing my points regarding contracts. He, too, focused on the oath. Unlike most commentators, he focused mainly on the oath in its covenantal sense, not its profanity sense.[9] He devoted only a few

9. R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 111–224.

pages to profanity[10] and blasphemy.[11] What I did not see in 1985, when I wrote this book, was that point three of the five-point covenant is concerned with *God's name as a boundary* rather than as an oath confirmation or violation. I made the connection between oath-bound covenants and promise-bound contracts. A covenant is not a contract, I argued, because of the self-maledictory aspect of the covenant. This is true enough, but it is not the focus of this commandment. It is an implication of the fourth point of the biblical covenant, not the third.

I also went into detail about profanity. Because I had not yet written my exposition of Leviticus 5:14–19, which deals with the sacred, the profane, and the common, I did not recognize in 1985 the extent to which the third commandment refers to a boundary violation, i.e., the profaning of God's name. But this is profanity in the sense of a falsehood rather than in the sense of an invocation of God's name as a means of harnessing power, either directly from God directly or through an illegitimate empowering of daily language.

D. Covenants and Contracts

How does the third commandment relate to economics? By way of the covenant. The covenant is a judicial relationship between God and men, which is based on a self-maledictory oath before God. Men promise to obey God's stipulations as the sign of their covenantal faithfulness.

1. Higher Sovereignty

A covenant testifies to the existence of a higher sovereignty. Biblically sanctioned self-maledictory oaths are formally administered by a God-ordained subordinate sovereignty, which possesses more than a contractual sovereignty: church, state, or family. It possesses covenantal sovereignty. This is why the eighteenth-century Enlightenment's explanations of the origins of civil government by the so-called social contract theorists are categorically incorrect. The three sovereign governments ordained by God—ecclesiastical, civil, and family—were not the product of a hypothetical historical social contract among sovereign individuals. They were the covenantal creations of the Creator God. They are not organizations that were created by the equivalent of business contracts.

There is always a tendency for Satan to imitate God. Satan establishes pseudo-covenants, just as he establishes pseudo-churches.

10. *Ibid.*, pp. 106–11.
11. *Ibid.*, pp. 124–27.

Pseudo-covenants include such pagan associations as crime syndicates and secret societies. These are seen by their members as brotherhoods. They are oath-bound associations, with negative physical sanctions for oath-breakers.

A contract is analogous to a covenant, but without a self-maledictory oath before God. *This is a fundamental distinction between contracts and covenants.* A contract is made between individuals or organizations on the basis of mutual self-interest. So is a covenant. The terms of a contract are governed by the written and customary laws of the civil government. So is a covenant. A contract may or may not be enforceable in civil courts. So is a covenant. But a private contract does not legitimately involve the use of a self-maledictory oath, implicitly or explicitly, since no God-ordained sovereign institution has initially bound the parties by means of such an oath. Oaths may be required in the future by a sovereign government if a dispute concerning the terms of the covenant or the performance of the contracting parties drives the antagonists into civil court. Originally, however, the two contracting parties are not in possession of God's grant of monopoly authority. A business is not institutionally sovereign in the way that the church or civil government is.

This absence of an oath keeps the contract out of the jurisdiction of point four. A contract is more a matter of name than oath. It is a matter of stipulations more than sanctions. This is what I failed to recognize in the first edition of this book.[12]

2. The Business Contract

Men can make better use of their scarce economic resources by co-operating in the activities of production. The idea behind a business contract is that such co-operation involves costs, especially unknown future costs. A contract reduces uncertainty by formalizing various responsibilities of the co-operating entrepreneurs. *A contract therefore is a cost-reduction device.* Men learn to trust one another to fulfill the terms of the contract. Self-government becomes easier, since everyone has a clearer idea of what is expected from him and from others who are parties to the contract. This greater certainty of performance frees up resources that would otherwise have to be expended in policing the venture.

The contract is signed. Two or more people put their names on the

12. Gary North, *The Sinai Strategy: Economics and the Ten* Commandments (Tyler, Texas: Institute for Christian Economics, 1986), ch. 3: "Oaths, Covenants, and Contracts."

contract. This identifies them as people who have made promises. A signer is responsible for the performance of his word. To enter into a contract with a plan to perform otherwise than stipulated in the contract is a form of fraud.

When God's name is on an individual because of his confession and the mark of the covenant, God's reputation is at stake. This is why people who acknowledge their position as covenant-keepers have an obligation not to misuse God's name. It is not merely that they avoid profane language. It is that they do not do in the name of God what will bring a bad reputation on God.

In the Old Testament, no case stands out more clearly of the misuse of God's name than David's adultery and his murder of the man who could have brought charges against him, Uriah the Hittite. Nathan the prophet told David this: "Howbeit, because by this deed thou hast given great occasion to the enemies of the Lord to blaspheme, the child also that is born unto thee shall surely die" (II Sam. 12:14). The enemies did not blaspheme by calling David an evil man. Blasphemy is a violation of God's name. In this case, it meant attributing to God the evil behavior of the king who represented Him.

David did this, not as a businessman, but as a king. This was the misuse of the covenantal office of king. His penalty was very great. But, analogously, a corrupt businessman who openly places himself under the authority of a church, and then commits deliberate fraud by means of the trust people have in him as a man of God, has taken the name of the Lord in vain.

A contract may have penalties for non-performance written into it. These are analogous to, but not identical to, the self-maledictory aspect of a covenant. The contract cannot legitimately call upon God to uphold directly the terms of the contract. Depending on circumstances, the ultimate earthly enforcing agency may be the civil government, or an agreed-upon arbitration organization, or even the church (I Cor. 6:4),[13] but a truly sovereign agency cannot delegate its sovereignty in advance without thereby transferring its character as a sovereign agency to the recipient. For example, the transfer of the seal of government involves also the transfer of governmental sovereignty to the recipient. But this transforms the contract-making ability of the recipient organization into a covenant-making ability.

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13. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 6.

3. From "Brotherhood" to "Otherhood"

This is a phrase adopted by the sociologist-historian Benjamin Nelson.[14] He used the so-called "Weber thesis"[15] to provide an interpretation of the transition from feudalism to capitalism. The historical documentation and debates surrounding this thesis are not the main issue at this point.[16] What is important is the concept of the non-covenantal voluntary association. The brotherhood is pseudo-covenantal, but in primitive societies, it sometimes function as a civil government. The otherhood is contractual.

As the West became increasingly Christian during the Middle Ages, men could deal with each other because they belonged to a universal church. Christian associations steadily replaced pagan brotherhoods and tribes. The medieval world was a world of mutual loyalties, often written down. Feudal contracts were military and civil covenants, however. What steadily replaced these covenants was the contract, especially the business contract.

The Protestant Reformation destroyed the ecclesiastical unity of the medieval world, but it did not destroy trade. On the contrary, trade increased.[17] Men who did not share membership in a common church or a common city could still truck and barter with each other, even in the absence of a universal currency, although gold coins minted by the Italian city-states circulated increasingly, especially after 1500. Trade was fostered by men's adoption of contracts which partially substituted society for the destruction of a common church covenant.

Consider the benefits provided by the contract. Men whose ends are radically different, or even opposed, can trade in the market place in order to capture the benefits of the division of labor. Because the contract spells out mutual obligations, men can make better plans concerning the future. A contract, because it is not a covenantal document, can bring together people of varying religious beliefs and prac-

14. Benjamin Nelson, *The Idea of Usury: From Tribal Brotherhood to Universal Otherhood*, 2nd ed. (Chicago: University of Chicago Press, 1969).

15. The Protestant ethic theses of Max Weber: *The Protestant Ethic of the Spirit of Capitalism* (1905–6).

16. Gary North, "The 'Protestant Ethic' Hypothesis," *The Journal of Christian Reconstruction*, III (Summer 1976).

17. On the growth of commerce in this period, see the multi-volume study by the French historian, Fernand Braudel, *Civilization and Capitalism, 15th–18th Century*, 3 vols. (New York: Harper & Row, 1979), and his earlier work, *The Mediterranean and the Mediterranean World in the Age of Philip II*, 2 vols., 2nd ed. (New York: Harper & Row, [1966] 1973).

tices. The division of labor expands, and so does specialization. Per capita output increases. Had men been limited to exchanges within the covenanted "brotherhood," their markets would have remained small. The division of labor is limited by the extent of the market.[18] Therefore, their per capita wealth would have remained small. Contracts allow men to exchange with members of an "otherhood."

E. Deceptive Promises

Consider a person who agrees to perform a specified service for a specified price. "You can count on me. My word is my bond. I agree to perform the service." But what if he escalates his rhetoric? What if he says this? "I am absolutely trustworthy. I swear on the Bible that I will fulfill the terms of our agreement. But I want payment in advance."

He has sworn on the Bible. So what? If he is a God-fearing man, he will avoid such covenant-related rituals as a misuse of God's name. It violates God's property right in His own name in the interest of invoking God's authority. But if the person is a deceiver, he may very well use such a phrase. The Bible becomes just another tool in his tool kit of deceptive techniques. He enlists God's name, by implication, in this deception. He is able to extract money in advance because the buyer believes that the seller will be too afraid not to perform the promised service. Or perhaps the use of religious-sounding language calmed the buyer into believing that this is a man familiar with God's blessings. In any case, vaguely religious and ignorant people can become victims of those who take the name of God in vain.

Such language involves *fraud*. A person poses as God-fearing, yet his very language belies his claim. But a theologically ignorant person is deceived. This is a recapitulation of Satan's temptation of Eve in the garden. He used God's name and religious-sounding language in order to calm Eve's sense of insecurity. Because of the misleading use of language, Eve believed that her risks were lower than they really were. In business contracts, the misuse of religious language accomplishes the same thing: a reduction in the buyer's perceived risk. The deal seems less risky than it really is, because of the seller's use of religious language, at least less risky in the mind of the superstitious or ignorant person who is unfamiliar with the third commandment.

A covenant-keeper should be a lower-risk employee than a cov-

18. Adam Smith, *The Wealth of Nations* (1776), ch. 3.

enant-breaker. He believes in God. He believes that God's word is reliable and sure. He performs his agreed-upon tasks on time and at the level of quality as is customary in his profession, and perhaps above that level. He is not supposed to be an inefficient or unreliable employee. He is supposed to be doing all things for the glory of God, performing his tasks of the dominion covenant.

A Christian's word should be worth more in the marketplace than other men's words. If this is not a characteristic feature of Christian service, then there is a glaring deficiency in the church's level of instruction and discipline. When a Christian says "yea," then the other person can rely on that "yea." The other person can make a budget for the future that includes predictable performance on the part of his Christian suppliers of goods and services. He can more accurately plan for the future. This makes his plans less expensive. There is therefore less waste in the economy. God's resources are allocated more efficiently. In short, there should be less risk when we rely upon the promises of Christians.

Christians since New Testament times have borne the name of Christ (Acts 11:26). They say, "I am of Christ." This is not a violation of the third commandment. But if they attempt to create a market in terms of the name of Christ, they must be ready to sacrifice wealth in order to honor that name. To use God's name explicitly in commercial ventures requires above-average performance, what some have called "going the extra mile." To swear to a contract, verbal or written, explicitly by God's name, is a violation of the third commandment.

Conclusion

The prohibition against taking the name of God in vain has implications for several areas: civil, familial, and ecclesiastical covenants; private contracts, both business and associational (voluntary societies); public language and therefore public law; and literature. The essence of the prohibition is the question of ultimate sovereignty. Who is sovereign: God, man, or rival gods?

A covenant is not a contract. It rests on higher authority, and it invokes a greater penalty for non-fulfillment of terms. Therefore, to swear by God or any aspect of the creation in a contractual situation is to use God's name in vain. To do this is to create the illusion of more reliable performance because of the presence, implicit or explicit, of a pseudo-self-maledictory oath. This involves deception, and should be penalized by civil statutes governing fraud.

These biblical distinctions between covenants and contracts necessarily involve a rejection of any social contract theory of civil (or any other) government. Government is of God, not of men. Only God, as Creator, has absolutely sovereign authority and power. Authority, as distinguished from power, is lawfully delegated sovereignty. Its model is what theologians refer to as the *economical Trinity*: the hierarchy of authority and responsibility of the Son to the Father and of the Holy Spirit to both the Father and the Son—the Filioque clause[19]—in their relationships to men. By upholding the sanctity of God's name, all governments thereby testify to this subordination. One aspect of this upholding is the enforcement of the civil law against the misuse of God's name. The practical problem is to identify those infractions that are a matter of civil law, such as blasphemy and some forms of cursing.

With respect to covenants, the violation of God's name in open verbal profanity is a matter of civil law, according to the Bible. The blasphemer in Leviticus had to be executed. "And he that blasphemeth the name of the LORD, he shall surely be put to death, and all the congregation shall certainly stone him: as well the stranger, as he that is born in the land, when he blasphemeth the name of the LORD, shall be put to death" (Lev. 24:16). But with respect to economic crimes in which the reputation of God is at stake, civil laws governing fraud are sufficient.

This is additional evidence for the jusicial and conceptual distinction between covenants and contracts. A covenant is established through a self-maledictory oath before God, with God as the sanctioning agent. A contract is not judicially established by a covenantal oath. It is based on mutual promises that are sealed by the names of the parties to the agreement. A violation of a contract does not bring into play a self-maledictory oath before God. A contractual violation can be settled through a lawsuit initiated by the injured party or parties. It is not a capital crime.

A detailed study of the third commandment would break down the commandment into five parts, corresponding to the structure of biblical covenant. The most detailed section would be point four: oath and sanctions, i.e., curses in a covenantal sense primarily—the

19. The Filioque clause identifies the Holy Spirit, "who proceedeth from the Father and the Son." It was included in the Council of Toledo (589). R. J. Rushdoony, *The Foundations of Social Order: Studies in the Creeds and Councils of the Early Church* (Vallecito, California: Ross House, [1968] 1998), pp. 99–100.

invocation of supernatural power—and secondarily as verbal profanity. Verbal profanity is the traditional focus of the commentators on the third commandment. But in the context of the Ten Commandments, the third commandment's primary implication has to do with the misuse of God's name in the sense of His name as a boundary. It is an illicit attempt to use God's name as a kind of brand, in order to further one's goals at the expense of others who are part of a non-covenantal agreement. This is a prohibited appropriation of a property right: God's reputation.

24

REST AND DOMINION

Remember the sabbath day, to keep it holy. Six days shalt thou labour, and do all thy work: But the seventh day is the sabbath of the Lord *thy God: in it thou shalt not do any work, thou, nor thy son, nor thy daughter, thy manservant, nor thy maidservant, nor thy cattle, nor thy stranger that is within thy gates: For in six days the* Lord *made heaven and earth, the sea, and all that in them is, and rested the seventh day: wherefore the* Lord *blessed the sabbath day, and hallowed it.*

EXODUS 20:8–11

The theocentric meaning of this law is the positive sanction of rest in God. It is grounded in the original six-one pattern of God's creation of the universe. Here, the basis of the sabbath is said to be God's week of creation. In Deuteronomy, the reason given is Israel's liberation from the tyranny of Egypt, where the Israelites were worked unmercifully (Deut. 5:15).

A. A Major Problem for Bible Commentators

We come now to one of the most difficult of all exegetical and application problems in the Bible: the question of the meaning and enforcement of the sabbath. In economic affairs, only the proper interpretation and application of the tithe principle are equally as difficult and controversial.[1] These economic issues involve the question of what man is required to forfeit in order to honor God: time and money.

Several questions must be considered. First, what is the meaning of "rest"? Second, what is the meaning of "sabbath"? Third, is the Lord's day (Firstday) the same as the sabbath (Seventhday)? Fourth, what was the focus of the sabbath in Old Testament times: rest or worship

1. Gary North, *The Covenantal Tithe* (Powder Springs, Georgia: American Vision, 2011).

or both? Fifth, how extensive were the restrictions against working in Old Testament times? Sixth, are these same restrictions still required by God in New Testament times? Seventh, who or what agency is to enforce sabbath requirements in New Testament times? In short, where is the *locus of sovereignty* for sabbath enforcement? Eighth, if the Old Testament's prohibitions had been enforced throughout the history of the West, could the modern, industrialized West ever have come into existence?

In order to keep this introductory chapter sufficiently short and uncluttered with technical problems, I have decided to add an appendix on the economics of sabbath-keeping. I cover questions four through eight in Appendix E. In this chapter, I devote more space to the meaning of rest and its relationship with dominion, and secondarily, the problem of the sabbath in New Testament times. I argue here that the *sabbath principle* is related closely to *communion with God*, and that both are closely related to *dominion*.

B. Autonomy and Creation

God alone is absolutely sovereign. He is also the Creator. This link between absolute sovereignty and original creation is reflected in man's nature as the image of God. Man is subordinately sovereign and subordinately creative, or we might say, re-creative. He exercises dominion over the creation because he is subordinate to God. He can never be at the top of the pyramid of power. Only God can occupy that position. To attempt to occupy is an attempt to become divine.

When Adam rebelled, he believed that he had the opportunity of becoming as God, knowing (determining) good and evil (Gen. 3:5). His ethical rebellion was an assertion of human autonomy, a conscious decision to substitute his own authority and judgment for God's. Was Adam's word sovereign, or was God's?

That single forbidden tree, with its forbidden fruit, was a symbol of Adam's subordination, meaning his lack of original sovereignty. He did not have authority over that one sphere of the creation. Only God possessed absolute authority over everything, including authority over both Adam and that tree. By asserting his right to eat from that tree, Adam was announcing unilaterally the legitimacy of his quest for total power—the power to control anything and possibly even everything, as if he were God. If he could achieve such control, through autonomous knowledge and autonomous power, then God could not fully control man. Man is therefore truly autonomous and

potentially divine, Adam declared by his act of defiance. The sign of his autonomy was his power: the power to eat rebelliously without suffering the predicted consequences. Adam adopted *power religion* in place of God's required *dominion religion*—a dominion process based on ethics.

Adam probably ate of the forbidden tree on that first sabbath. The serpent beguiled Eve (II Cor. 11:3), and Adam listened to his beguiled wife. She was deceived; he was not (I Tim. 2:14). Rather than trying and executing the serpent, thereby passing preliminary judgment against Satan, Adam attempted to render autonomous judgment. By asserting such autonomy, he thereby rendered judgment against God's Word and in favor of the serpent's announced estimation of the low or zero likelihood of God's punishment for Adam's disobedience.

Adam and Eve could have refused to accept Satan's evaluation of the effects of eating from the tree. They could have tried and executed the serpent, and then sat down to eat of the tree of life. This communion meal was postponed by their rebellion and their subsequent ejection from the garden. The celebration of Passover and later the Lord's Supper points to a future meal with God after He pronounces final judgment against sin and Satan's forces, but it also points back to the "meal that might have been."

1. Rest: God's and Man's

Adam's rebellion was linked to the question of the sabbath. God had created the world, including Adam, in six days, and He rested the seventh day. The sabbath day was man's first full day of life. This day began with rest, since God's original creation activity had ended the day before. Man was the capstone of God's creation, the final species to be created, but he was nevertheless under God's sovereignty as a creature. The whole creation, except for one tree, had been delivered into Adam's hand. The day after the sabbath, the "eighth day," meaning the eighth day after God first announced, "Let there be light," Adam was to have gone forth to subdue the earth as God's subordinate.

Rest means something different for God than it means for man. God rested on the seventh day, after His work was over, and after He had pronounced judgment on it, announcing its inherent goodness. For God, rest is a testimony of His absolute independence. He created the world out of nothing. It is dependent on Him; He is in no way dependent on it. For creatures, on the other hand, *rest means*

subordination. Rest means that God is absolutely sovereign, and that man is absolutely dependent on God. Man begins with rest, for he is subordinate. God ended with rest, for He is absolutely sovereign.

Adam did not rest in his position of dependence under God. To have accepted the first day of the week as God's gift of rest, to have admitted that the creation was finished, would have meant the acceptance of man's perpetual position as a *re-creative* sovereign, not an originally creative sovereign. It would have meant that Adam had accepted his position as a creature. The restriction placed upon Adam by God meant that divinity is forever closed to man. Adam refused to accept this. *He could not abide in his God-given rest, precisely because it was God-given*. He wanted rest on his own terms. *He wanted rest as an originally creative sovereign*. He wanted his rest at the end of man's week, for God had inaugurated a day of rest at the end of His week.[2]

2. Resting the Land

On the seventh day, God rested. Adam should also have rested (his first full day). Thus, for one day in seven, the land is to rest. There was to have been no direct personal attention of man or God to the care of the land. The general personal sovereignty of God undergirds all reality, but there was to have been no visible management of the land on that day. It, too, was to have rested. It, too, was to have been free to develop apart from constant direct attention by another. In this sense, nature was analogous to Adam, for God had departed and left him physically alone.

This should have pointed to man that he is not ultimately sovereign over nature. The land continued to operate without man's active supervision. If man rebelled against God, the land would come under a curse, but if Adam remained ethically faithful and enjoyed his rest, the land would suffer no damage from its day of solitude. The forces

2. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), ch. 6. I have come to the conclusion that Adam sinned on the sabbath, rather than on the day following the sabbath, in contrast to the arguments I presented in the first edition of Genesis (1982). I revised this in the second edition of *The Dominion Covenant: Genesis* (1987). The "eighth-day covering"—the eighth-day circumcision of all Hebrew males (Lev. 12:3) and the eighth-day separation from the animal mother of the firstborn male (Ex. 22:30)—makes sense if we regard the evening of the day as the beginning of the next day. "And the evening and the morning were the first day" (Gen. l:5b). When God came at the end of the seventh day, He judged them and then covered them, in preparation for their departure from the garden. They would spend the evening and night of the eighth day outside the protection of the garden. Thus, their second full day (God's eighth day) was their first day of labor outside the garden, the curse placed on their assertion of autonomy.

of nature were never intended to be autonomous from man, but they were nevertheless not entirely dependent on man. This pointed to another source of nature's daily operations: a law-order created by God, which did not require man or God to be physically present for its continued operation.

After the Fall of man, nature was cursed (Gen. 3:17–18).[3] The Mosaic law imposed an additional form of sabbath on Israel: Every seventh year, the land was not to be worked, for man was not to do agricultural work (Lev. 25:2–7).[4] It was called a sabbath of the land. Just as in the case of that first day in the garden, the land was to be free from man's care. This pointed to the sovereignty of God over creation.

In that same year, the law was to be read to the assembled nation (Deut. 31:10–13).[5] All debts of Hebrews were canceled (Deut. 15:1–10).[6] All Hebrew slaves (except criminal slaves who were repaying debts, and permanent slaves who had voluntarily covenanted with a family) were to be released (Deut. 15:12–18). Biblical law and freedom go together. They are tied ritually to a sabbath.

C. Defining "Sabbath"

What is the meaning of "sabbath"? Scholars debate this point. The Hebrew term means, at the very least, a cessation from activity. It is an *intermission*. God ceased from the activity of creation on the seventh day, a sign to man that the environment had been delivered to man in a completed form, though not historically developed. Man would henceforth work with this environment to subdue it, but this environment is a gift of God. The first week's seven-day pattern is to be an eternal pattern—a covenantal symbol of man's subordination to God. Man is to labor six days and rest one day. Man's week began with rest. Adam, however, was not content with this pattern, since it began with God's rest from His labors, which implied that man's labors must begin with an acknowledgment of the sovereignty of God. He wanted to become as God, which meant that he chose to imitate God's week: six days of labor followed by a day of rest. Man would be a creator for six days, and then he would enjoy his rest at the end of the week,

3. *Ibid.*, ch. 12.

4. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 23.

5. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 75.

6. *Ibid.*, chaps. 36, 37.

after his efforts had been brought to completion by his own hand.[7] The seventh day of rest would be a man-made sabbath. Man would rest from his autonomous labors.

Adam did not count on God's response to this rebellion: the curse of the ground. He also did not count on the advent of his own mortality, even though God had warned him that he would surely die if he disobeyed. His time on earth was shortened, while his work load was increased. His work was made burdensome, mixed with his own sweat. The ground would supply him with life, but at the same time, his life would be, in effect, poured into the ground. To dust man now returns. Man's rest was taken away; his labor is now cursed. By this curse of the ground and this shortening of man's days, man is made to see that he will never be able to complete his work by himself; *completion requires God's grace*. Without a God-imposed day of rest—without God's re-creating grace, in other words—dominion-driven man would work himself to death: spiritually, culturally, and historically. Without God's grace, Adam was a dead man. He would never achieve rest, not even in the grave, for there is no spiritual rest for the wicked beyond the grave. There is only impotence and incomparable excruciating pain. *The sign of God's grace is the sabbath day*, a promise both of re-creation and the eternal rest to come.

D. Costs and Choice

What are some of the economic implications of a day of rest? Man's world is a world of costs and benefits, of choices made in terms of these costs and benefits. It costs men the forfeited income that a day

7. Meredith Kline wrote: "For on the seventh day God rested from his work of creation, and this Sabbath of God is a royal resting and enthronement on the judgment seat. One indication that God's Sabbath-rest consequent to the finishing of his cosmic house was an enthronement is that the Scriptures present the converse of this idea; they portray God's enthronement in his micro-cosmic (temple-) house as a Sabbath-rest. Thus, when Isaiah makes his challenging comparison between the earthly temple built by Israel and the creation temple of heaven and earth built by God at the beginning, he introduces the Sabbath-rest imagery of the creation history as a parallel to God's throne house: 'The heaven is my throne, and the earth is my footstool: Where is the house that ye build unto me? And where is the place of my rest (menuhafi)?' (Isa. 66:1; cf. II Chron. 6:18; Acts 7:49)." Kline, *Images of the Spirit* (Grand Rapids, Michigan: Baker Book House, 1980), p. 111. Man, in his assertion of divine sovereignty, acted as though he himself had created the universe, using it as a throne of his own. He would bring judgment, deciding between God's word and Satan's word. He, like God, would rest at the end of his creative week. But while man was created to enjoy a seventh-day royal resting—God's seventh day—and to sit at God's table for a royal meal, man was not to do so apart from beginning with the enjoyment of a first-day, creature's, vice-gerent resting. He is to begin his week with rest.

of rest involves, but it also brings them benefits. Leisure is a consumer good, and it has a market value, namely, forfeited income. A day of rest may increase human efficiency, which then results in increased total weekly production (and therefore increased income). Furthermore, God's covenantal promises are available to those who are faithful to the terms of the covenant, so these promised blessings for obedience must also be added to the visible, immediate blessings of man's external rest. These promised blessings are not always acknowledged by those who are not aware of, or not confident concerning, God's covenant with His people. They tend to underestimate the benefits of honoring one day of rest in seven. In the Old Testament economy under the Mosaic law, the people of Israel were placed under severe restrictions against sabbath violations. The benefits of rest were in force, but God saw fit to raise the costs of disobedience, thereby encouraging men to remain faithful to the sabbath principle. All those who lived under the civic administration of God's covenant had to obey. The penalty was stiff: "Six days shall work be done, but on the seventh day there shall be to you an holy day, a sabbath of rest to the Lord; whosoever doeth work therein shall be put to death. Ye shall kindle no fire throughout your habitations upon the sabbath day" (Ex. 35:2–3).[8] This same penalty was later reinforced during the wilderness period, when a man who was caught gathering sticks on the sabbath was executed by stoning at the express command of God (Num. 15:32–41). No one could miss the message: God wants men to honor the sabbath principle.

The death penalty, when enforced, imposed a tremendous cost on sabbath violators. While all men in Israel were expected to understand the nature of the covenant, with external blessings assured for external conformity to the terms of the covenant, nevertheless, God relied on the "stick" as well as the "carrot." The promised benefits were less visible, and therefore more to be taken on faith, than the promised punishment. The punishment was visible and the sanctions were permanent. A man with weak faith still had an incentive to obey.

E. New Testament Alterations

What about New Testament times? Is the Old Testament sabbath still in force? The church has never given a straightforward answer to this question. The church has generally celebrated the first day of the

8. Chapter 63.

week as the Lord's day (the Day of the Lord), and Christians have often linked certain Old Testament provisions concerning the sabbath with the New Testament's day of rest. From the church's beginning, God's "eighth day" (Adam's first working day of the week) was honored as the day of worship[9] (Acts 20:7; I Cor. 16:2a), although it took perhaps a century for the first day of the week to be regarded by most Christians as the sole and exclusive day of worship.[10] This day has also been honored as a day of rest. The church has generally timed the Lord's day from sunrise to sunrise, in contrast to the Old Testament's requirement of sunset to sunset.[11] This represents a break from the sabbath. There is another break, far more important judicially.

What about the penalty? Has the church maintained that the death penalty should still be enforced on all members of society? The answer is unquestionably *no*. The church has never required the civil government to execute sabbath violators, although occasionally some commentator does. Examples include the continental Protestant Reformer Heinrich Bullinger in the late sixteenth century and

9. Wilfrid Stott, in Roger T. Beckwith and Wilfrid Stott, *The Christian Sunday: A Biblical and Historical Study* (Grand Rapids, Michigan: Baker Book House, [1978] 1980), ch. 12: "The Theology of the Christian Sunday: The Eighth Day"; cf. pp. 64–69.

10. Seventh Day Adventist scholar Samuele Bacchiocchi argued that it was only in the late second century that the Christians, especially in Rome, began to celebrate the first day of the week (Lord's day) exclusively as the day of rest, in order to distinguish themselves from the Jews: *From Sabbath to Sunday: A Historical Investigation of the Rise of Sunday Observance in Early Christianity* (Rome: Pontifical Gregorian University Press, 1977), p. 2. This study is an impressive work of historical scholarship, though far less distinguished as a work of reliable biblical exposition. I would guess that the reason why the Pontifical Gregorian University awarded Dr. Bacchiocchi his doctorate and published his dissertation is that he presented the Roman Church as the source of the change "from sabbath to Sunday," thereby attesting to the historical authority of the Roman Church. Church officials were understandably unconcerned about his arguments against all interpretations of New Testament passages that attest to the first day of the week ("Sunday") as the day of rest and worship. The authority of the Roman Church, rather than the evidence of Scripture, was the crucial criterion in the minds of the churchmen. This, in fact, had been the familiar argument used by Rome against the Reformers: If sola scriptura really is your guide, they asked, why don't you keep the Saturday sabbath? Luther's opponent, John Eck, used this argument with great skill. It was repeated in the Zurich Disputation, the Baden Disputation, and at both the pre-Reformation debates in Geneva in 1534 and 1535: Daniel A. Augsburger, "Pierre Viret on the Sabbath Commandment," *Andrews University Seminary Studies*, 20 (Summer 1982), p. 92. Andrews University is a Seventh Day Adventist school. For a brief but penetrating critique of Bacchiocchi's thesis, see R. J. Bauckham, "Sabbath and Sunday in the Post-Apostolic Church," in D. A. Carson (ed.), F*rom Sabbath to Lord's Day: A Biblical, Historical, and Theological Investigation* (Grand Rapids, Michigan: Zondervan-Acadamie, 1982), pp. 270–73.

11. Appendix F: "Timing the Lord's Day."

the American Puritan Thomas Shepherd in the mid-seventeenth.[12] The church has enforced its own laws, even excommunication, on sabbath violators. It has also recommended that the civil government fine violators, or punish them in other ways. But throughout the history of the church, the vast majority of expositors and church officials have hesitated to call for the death penalty. They have, by word and deed, admitted that *there has been a fundamental transformation of the civil aspects of sabbath law*.

Typical of this approach to sabbath law in the New Testament era is John Murray's statement. Mr. Murray was a leading twentieth-century Calvinist scholar and a Scot. He acknowledged the "element of truth" in the statement "by good men, that we do not now under this economy observe the Sabbath as strictly as was required of the people of Israel under the Old Testament." For one thing, they were not allowed to kindle a fire. For another, the death penalty was imposed. "Now there is no warrant for supposing that such regulatory provisions both prohibitive and punitive bind us under the New Testament. This is particularly apparent in the case of the capital punishment executed for Sabbath desecration in the matter of labour. If this is what is meant when it is said that observance is not as strict in its application to us as it was under the Mosaic law, then the contention should have to be granted."[13] Murray offered no exegesis to explain how the requirement of sabbath observance has survived, but without the civil sanctions attached to Mosaic sabbath law.

F. N. Lee, a South African Calvinist Sabbatarian who, like Mr. Murray, left his country to teach in other English-speaking nations, wrote in his 1966 doctoral dissertation on the sabbath that the capital punishment provisions of the sabbath law have been abrogated. "It is important to realize that these aspects of the weekly sabbath, even though they were ordained by God, were only of temporary ceremonial and/or political significance, and were not intrinsically normative for the permanent weekly sabbath as such, although they were certainly temporarily normative for the Sinaitic weekly sabbath of Israel from Sinai up to the death and resurrection of Christ in which events all these aspects were fulfilled."[14] (Lee altered his position since

12. Bauckham, "Sabbath and Sunday in the Protestant Tradition," in Carson (ed.), *From Sabbath to Lord's Day*, pp. 319, 326 (note 98).

13. John Murray, "The Sabbath Institution" (1953), in *Collected Writings of John Murray*, 4 vols. (Carlisle, Pennsylvania: Banner of Truth, 1976), I, p. 211.

14. F. N. Lee, *The Covenantal Sabbath* (London: Lord's Day Observance Society, 1972), p. 30.

the time of publication of his dissertation in the early 1970s. He told me that he believed that Old Testament law is still in force in this age, but he was not yet ready to recommend, categorically, that the death penalty should be imposed in all cases of sabbath violations, although continued willful desecration might be sufficient reason to execute the rebel, he said.)[15]

F. The Sabbatical Year

The church has never honored a sabbatical year, nor has any civil government. The land is not rested, debts are not canceled, and the whole law is not read publicly before the gathered nation. Why not?

The New Testament has internalized the locus of sovereignty for the enforcement of the sabbath. Men are to rest the land, but not as a nation, and not simultaneously. The civil government honors Paul's dictum that some regard one day (or year) as equal to any other, and some regard one as special, to be set apart for rest. A farmer might decide to rest his entire farm for one year in seven. An alternative arrangement would be to rest one-seventh of his land each year. A Dutch-American immigrant informed me that, at the beginning of the twentieth century, it was common in Holland for land owners to lease their agricultural land with a provision that each year, one-seventh of the land would not be planted.

As for debt, the Mosaic laws of debt cancellation applied to two forms of debt: (1) morally obligatory charitable loans in the sabbatical (seventh) year (Deut. 15:1–6)[16] and (2) commercial loans in the jubilee (49th) year (Lev. 25:47–55).[17] The latter law was part of the jubilee laws. These laws were annulled by Christ (Luke 4:16–18).[18] With respect to charitable loans, the state has no authority in the matter.

Conclusion

There is a connection between sabbath rest and dominion. *Sabbath rest is a* ***tool of*** *and* ***culmination of*** *dominion*.

> Let us therefore fear, lest, a promise being left us of entering into his rest, any of you should seem to come short of it. For unto us was the gospel

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15. Cf. F. N. Lee, *Christocracy and the Divine Savior's Law for All Mankind* (Tallahassee, Florida: Jesus Lives Society, [1979]), p. 7.

16. North, *Inheritance and Dominion*, ch. 36

17. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 31.

18. North, *Treasure and Dominion*, ch. 6.

> preached, as well as unto them: but the word preached did not profit them, not being mixed with faith in them that heard it. For we which have believed do enter into rest, as he said, As I have sworn in my wrath, if they shall enter into my rest: although the works were finished from the foundation of the world. For he spake in a certain place of the seventh day on this wise, And God did rest the seventh day from all his works. And in this place again, If they shall enter into my rest (Heb. 4:1–5).

> There remaineth therefore a rest to the people of God. For he that is entered into his rest, he also hath ceased from his own works, as God did from his. Let us labour therefore to enter into that rest, lest any man fall after the same example of unbelief (Heb. 4:9–11).

The sabbath points to the fulfillment of the dominion covenant. The eschatological rest that was long ago promised by God is symbolized in the sabbath. A weekly sabbath is God's "earnest"—His down payment—on the cosmic sabbath to come.

Ours is a Firstday sabbath, or Sunday sabbath, in New Testament times. We begin the week with rest, as Adam was supposed to but did not. Adam wanted to create by his own efforts the conditions of man's rest, and he never rested again.

The economic implications of the sabbath are extensive. This is why of necessity I have added an appendix on the topic. The key question, however, is this: *In New Testament times, where is the locus of authority for the enforcement of sabbath law*? If I am correct in my conclusion that Paul has lodged this sovereignty with the *individual conscience* rather than with church government or civil government, then there is no legitimate role in New Testament times for "blue laws," or other Sabbatarian legislation. This conclusion represents a major break with historic Protestantism and should be understood as such. It is a major theological step that needs to be discussed in detail by Christian commentators.

If commentators decide that mine is not a legitimate conclusion from Paul's writings, then the locus of authority issue must be dealt with in detail. Who is to impose sanctions? What sanctions? Under what conditions? How will those who must impose sanctions deal with the multiple economic problems raised by compulsory legislation? These problems are discussed in greater detail in Appendix E. The crucial judicial issue—the focus of authority and its sanctions—has been skirted for centuries. There has been no consistent answer—Sabbatarian, "continental sabbath" or otherwise—concerning the final locus of sovereignty for sabbath enforcement. Until it is faced and

dealt with in a manner sufficiently clear for the writing and enforcement of Sabbatarian statutes, in church or state, the issue will remain muddled and an exegetical embarrassment for Christians. It will not be resolved successfully by the election of Christian politicians. They need guidelines for sabbath legislation, and these guidelines have yet to come forth from the 2,000-year-old church.

25

FAMILY CAPITAL

Honor thy father and thy mother: that thy days may be long upon the land which the LORD thy God giveth thee.

EXODUS 20:12

The theocentric basis of this law is God as Father. Parents represent God in a unique way. They are due special consideration from their children.

A. Population Growth

Paul wrote that this is the first commandment to which a promise is attached (Eph. 6:3). What does it mean, "that thy days may be long upon the land which the LORD thy God giveth thee"? It is a promise given to the nation. It is a collective promise, not an individual promise as such. God does not promise that every single child who shows honor for his parents will enjoy long life, nor does He assure us that every single dishonoring child will die young. Esau went against his parents' wishes when he married Canaanite women (Gen. 26:34–35), yet he lived to be at least 120, for he and Jacob buried Isaac, who had died at age 180 (Gen. 35:29), and they had been born when Isaac was 60 years old (Gen. 25:26). Joseph was alive at this time, and the Bible speaks of Joseph as the son of Jacob's old age (Gen. 37:3). In the case of Esau, a dishonoring child lived into old age. Abel, who honored God, and who presumably honored his parents as God's representatives, was slain by his violent brother, who in turn survived to establish a pagan civilization (Gen. 4).

What God does promise is that a society in which the majority of men do honor their parents will be marked by the long life expectancy

of its members. This longer life span will be statistically significant. The society will enjoy, for example, lower life insurance premiums in every age bracket compared with the premiums in cultures that are marked by rebellion against parents. In other words, the risk of death in any given year will be lower, statistically, for the average member of that age bracket. Some will die, of course, but not so many as those who die at the same age in a parent-dishonoring culture.

The promise is significant. It offers long life. The very first promise that is connected to a commandment is long life. This is indicative of men's desire to survive into old age. Men want to live. It is a universal desire, though it is marred or distorted by the effects of sin. All those who hate God love death (Prov. 8:36). Nevertheless, a standard expression of honor in the ancient Near East, especially in pagan civilizations, was reserved for the king: "O king, live forever" (Dan. 2:4; 5:10; 6:21). When God attached this particular blessing to this commandment, He could be assured of its initial attractiveness in the eyes of men. Life is a blessing for the faithful, and it is desired even by the unfaithful. It is not a burden to be borne patiently by steadfast "pilgrims" who are stoically "passing through life." Life is not just something to pass the time away. It is a *positive blessing*.

We know that the promise to Abraham was that he would have many children, meaning heirs throughout time (Gen. 17:4–6). We know that a large family is a blessing (Ps. 127:3–5). We know that one of the promised blessings for the godly is that miscarriages will be reduced in a nation which is seeking to conform itself to God's law (Ex. 23:26).[1] The demographic implication of the biblical perspective should be obvious: *a large and growing population*. When godliness simultaneously increases both the birth rate and the survival rate, the godly society will experience a population explosion. What God sets forth in His word is simple enough, although Christians and pagans in my era have refused to believe this: one sign of His pleasure with His people is a population explosion.[2] It is not a guarantee of His pleasure. Ungodly societies can temporarily sustain a population explosion, especially when they have become the recipients of the blessings of God's law (for example, Western medical technology or the availability of inexpensive wire mesh window screens)[3] apart from

1. Chapter 59.
2. Chapter 1.
3. Peter F. Drucker, *Management: Tasks, Responsibilities, Practices* (New York: Harper & Row, 1972), p. 330.

the ethical foundations that sustain these blessings. Nevertheless, sustained population growth over many generations is one of God's external blessings, and these blessings cannot be sustained long term apart from conformity to at least the external, civil, and institutional requirements of God's law.

Long life is a biological foretaste of eternal life. It is an earthly down payment by God. It points to eternal life. It is also a capital asset that enables men to labor longer in their assigned task of subduing their portion of the earth to God's glory. *Long life is an integral part of the dominion covenant*.

Because the fulfillment of the dominion covenant involves filling the earth, it is understandable why long life should be so important. It is one critical factor in the population expansion that is necessary to fulfill the terms of that covenant, the other being high birth rates. God has pointed clearly to the importance of the family—indeed, *the central importance of the family*—fulfilling the terms of the dominion covenant. The parents receive the blessing of children (high birth rate), and the children secure long life by honoring their parents. Or, to put it even more plainly, a man gains the blessing of long life, including the ability to produce a large family, by honoring his parents. The way in which the people of a civilization define and practice their family obligations will determine their ability to approach the earthly fulfillment of the dominion covenant. Without a close adherence to this, the fifth commandment, no society can hope to receive and keep the capital necessary to fulfill the terms of the dominion covenant, especially the human capital involved in a population explosion.

B. Parental Authority

Parents possess limited, derivative, but completely legitimate sovereignty over their children during the formative years of the children's lives. When children reach the age of civil responsibility, one sign of their maturity is their willingness to establish families of their own (Gen. 2:24). Responsibility therefore steadily shifts as time passes. Eventually, aged parents transfer economic and other responsibilities to their children, who care for them when they are no longer able to care for themselves. The man in his peak production years may have two-way financial responsibilities: to his parents and to his children. Maximum responsibility hits at an age when, because of economic and biological patterns, a man attains his maximum productive capacity. This shift of responsibility is mandatory, given the mortality of man-

kind. The Bible provides guidelines for the proper transfer of family responsibility over time. These guidelines are necessarily economic.

The requirement that men honor their parents preserves the continuity of the covenantal family, and therefore it preserves the *continuity of responsibility*. The totally atomistic family unit is probably impossible; where it exists, the culture which has created it will collapse. Mutual obligations bind the family units together. Parents have an obligation to lay up wealth for their children: ". . . for the children ought not to lay up for the parents, but the parents for the children" (II Cor. 12:14b). Parents are not to squander their children's inheritance. It should also be recognized that *each of the children has a legitimate claim to part of the patrimony*, unless disinherited because of his rebellion against parents or his personal immorality. The eldest son is entitled to a double portion of the estate (Deut. 21:15–17).[4] Why does the eldest son inherit this double portion? A reasonable explanation is that he is the person with the primary responsibility for the care of his parents.[5] The English system of primogeniture, in which the eldest son inherited all of the landed estate, was clearly unbiblical, and the breakdown of that system in the nineteenth century was a step forward for England. Such a system places too much responsibility on the eldest son, leaving the other children bereft of capital, but also psychologically free of economic obligations toward the parents. It cuts off most of the children from the mutual obligations of the covenantal family.

Economic obligations should flow in both directions: toward the children in their early years, toward the parents in their later years, and back toward the children at the death of the parents, when the family's capital is inherited by the survivors. In short, children inherit, but parents must first be provided for.

C. The Continuity of Capital

The biblical law-order is a unity. Blessings and responsibilities are linked. Without the coherence of comprehensive biblical law, blessings can become curses. We can apply this insight to the fifth commandment. Assume that a son honors his parents during their lifetime. He receives the blessing of long life. Nevertheless, he neglects to teach his own children the requirements of this commandment. He

4. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 60.

5. R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), p. 180.

also wastes his own estate in a present-oriented orgy of consumption. He miscalculates his own life expectancy. He runs out of money before he runs out of time. He has nothing to live on in his old age. His fortune is gone, and his own children know it. The break in the family between generations is now a serious threat to him. His children know that he has abandoned them by squandering the family estate, so they in turn abandon him to poverty in his old age, when he most needs assistance. The blessing of long life then becomes a curse to him. He slowly rots away in abject poverty.

Capital, if familistic in nature, is less likely to be squandered. In a truly godly social order, the familiar rags-to-riches-to-rags progression of three generations, from grandfather to grandchildren, is not supposed to become typical, despite the fact that the legal possibility of "rags-to-riches-to-rags" is basic to the preservation of a free society. The example of a man who pulls himself up out of poverty, only to see his children squander his fortune, leaving his grandchildren destitute, is neither normative nor normal in a Christian social order. The godly do not lay up treasure for the ungodly; the reverse is true (Prov. 13:22).[6] *Wealth in the long run flows toward provident and productive citizens who exercise dominion in terms of biblical law*. Therefore, these dual obligations, from fathers to sons and from sons to fathers, are an important aspect of the biblical tendency toward economic growth over many generations.

Fathers have economic incentives to expand the family's capital base, and they also have an incentive to train up children who will not dissipate the family's capital. The *continuity of capital*, under God's law, is promoted by the laws of inheritance-honor. This preservation of capital is crucial for long-term economic development.

In order to preserve family capital over time, godly parents must train their children to follow the ethical standards of the Bible. The biblical basis for long-term expansion of family capital is ethical: *character* and *competence*. But this ethical foundation for long-term family capital growth is not acceptable to anti-biblical cultures. They want the fruits of Christian culture without the roots. Thus, we find that civil governments often take steps to preserve *already existing* family fortunes at the expense of those productive families that are ready and willing to make their economic contribution to the production process. A phenomenon that is supposed to be the product of ethics and

6. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 41.

education—the expansion of family capital over many generations—is temporarily produced by the use of state power. This substitution of power for ethics is characteristic of Satan's religions—not power as the product of biblical ethics ("right eventually produces might"), but power as a substitute for biblical ethics ("might makes right").

The pagan imitation of a godly social order frequently involves the use of *legislated barriers to entry*. Those who have achieved economic success seek political power in order to restrict their competitors from displacing them.[7] This phenomenon has been described as "pulling up the ladder after you've reached the top." This discriminates against poor people, who are unable to organize politically and who lack capital, especially formal education. Primogeniture was one such restriction, which held together the great landed estates of England for many centuries. So was entail: the legal prohibition against selling a landed family estate.[8] Other sorts of restrictions prevail in the modern "mixed" economy, all of them hostile to the great engine of progress under capitalism, price competition.[9] These restrictions include: tariffs or import quotas,[10] prohibitions against price competition (price floors) in the name of protecting market stability,[11] protecting the consumer from trusts,[12] minimum wage laws (price floors),[13] restrictions against advertising (still another kind of

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7. Gabriel Kolko, *The Triumph of Conservatism: A Reinterpretation of American History, 1900–1916* (New York: Free Press of Glencoe, 1963). Kolko is a "New Left" historian. He argued that the American Progressive movement, which promoted government regulation of the trusts in the name of protecting the consumers, was supported by large businesses that were seeking legislated protection from new competitors. For further evidence on this point, see James Weinstein, *The Corporate Ideal in the Liberal State, 1900–1918* (Boston: Beacon Press, 1968); Clarence Cramer, *American Enterprise: Free and Not So Free* (Boston: Little, Brown, 1972), chaps. 10–14.

8. This restriction could be overcome through debt. An heir would indebt the estate, with the land as collateral. When he defaulted on the debt, the creditor took possession of the land.

9. Gary North, "Price Competition and Expanding Alternatives," *The Freeman* (August 1974).

10. Gary North, "Buy American!" *Ibid.* (January 1981). The relationship between monopolies and tariffs was explained as long ago as 1907: Franklin Pierce, *The Tariff and the Trusts* (New York: Macmillan, 1907).

11. Mary Peterson, *The Regulated Consumer* (Ottawa, Illinois: Green Hill, 1971); Dan Smoot, *The Business End of Government* (Boston: Western Islands, 1973).

12. D. T. Armentano, *Antitrust and Monopoly: Anatomy of a Policy Failure* (New York: John Wiley & Sons, 1982); Harold Fleming, *Ten Thousand Commandments: A Story of the Antitrust Laws* (New York: Prentice-Hall, 1951). See also Pierce, *Tariffs and the Trusts*, op. cit.

13. Walter Williams, *The State Against Blacks* (New York: McGraw-Hill New Press, 1982), ch. 3. This book also covers occupational licensing, regulation by the states, taxicab licensing, and trucking regulation.

price floor),[14] compulsory trade unionism,[15] restrictions on agricultural production,[16] state licensing of the professions,[17] zoning laws,[18] and the most blatant and universally accepted restriction, immigration quotas.[19] All of these statist economic restrictions reduce people's freedom of movement—geographically, economically, and socially. They all involve the misuse of the otherwise legitimate monopoly of state power in order to restrict individual and social progress and

14. Yale Brozen, *Advertising and Society* (New York: New York University Press, 1974); George Stigler, "The Economics of Information," *Journal of Political Economy*, LXIX (June 1961); Yale Brozen, "Entry Barriers: Advertising and Product Differentiation," in Harvey J. Goldschmidt, et al. (eds.), *Industrial Concentration: The New Learning* (Boston: Little, Brown, 1974); David G. Tuerck (ed.), *The Political Economy of Advertising* (Washington, D.C.: American Enterprise Institute, 1978); Tuerck (ed.), *Issues in Advertising: The Economics of Persuasion* (Washington, D.C.: American Enterprise Institute, 1978).

15. Gary North, "A Christian View of Labor Unions," *Biblical Economics Today*, I (April/May 1978); Philip D. Bradley (ed.), *The Public Stake in Union Power* (Charlottesville: University of Virginia Press, 1959); Sylvester Petro, *Power Unlimited: The Corruption of Union Leadership* (New York: Ronald Press, 1959).

16. William Peterson, *The Great Farm Problem* (Chicago: Regnery, 1959); Clarence B. Carson, *The War on the Poor* (New Rochelle, New York: Arlington House, 1969), ch. 4: "Farmers at Bay."

17. Reuben A. Kessel, "Price Discrimination in Medicine," *Journal of Law and Economics*, I (October 1958); Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1962), ch. 9: "Occupational Licensure."

18. Bernard H. Siegan, *Land Use Without Zoning* (Lexington, Massachusetts: Lexington, 1972).

19. Gary North, "The Sanctuary Society," *The Journal of Libertarian Studies*, XIII (Summer 1998), pp. 205–19; Gary North, "Public Goods and Fear of Foreigners," *The Freeman* (March 1974). An example of special pleading favoring immigration restrictions is Roy L. Garis, *Immigration Restriction: A Study of the Opposition to and Regulation of Immigration Into the United States* (New York: Macmillan, 1928). Such restrictions, had they been passed into law and enforced prior to 1924, would have greatly reduced American economic growth. On the multiple cultural and economic contributions of several immigrant groups—Germans, Irish, Italians, Jews, Blacks, Puerto Ricans, Mexicans, and orientals—see Thomas Sowell, *Ethnic America: A History* (New York: Basic Books, 1981). He covered similar material in a condensed way in *The Economics and Politics of Race: An International Perspective* (New York: William Morrow, 1983), but added new material on the performance of immigrant groups in other societies. On the spectacular economic miracle of the city of Miami, Florida, as a result of heavy immigration from Cuba after 1960, see George Gilder, *The Spirit of Enterprise* (New York: Simon & Schuster, 1984), ch. 5. The political-economic problem today is twofold: (1) new immigrants in a democracy are soon allowed to vote, and (2) they become eligible for tax-financed "welfare" programs. In the Old Testament, it took several generations for members of pagan cultures to achieve citizenship (Deut. 23:3–8), and there were very few publicly financed charities, the most notable being the third-year tithe (Deut. 14:28–29). Thus, mass democracy has violated a fundamental biblical principle—that time is needed for ethical acculturation of pagan immigrants—and the result of this transgression has been xenophobia: the fear of foreigners, especially immigrant newcomers. Cf. Gary North, "Two-Tier Church Membership," *Christianity and Civilization*, 4 (1985).

personal responsibility.[20] The result of such legislation, if continued and enforced, is the universal destruction of freedom, as the state regulators steadily squeeze away the monopoly profits received by the early members of the protected group. This is especially true of state-licensed professionals, such as physicians.[21] Another result is the reduction of per capita productivity, and therefore per capita wealth.

D. Compound Growth

The importance of the continuity of capital can be seen in any example involving compound interest. Let me say from the beginning that we cannot expect to see this compound interest phenomenon continue uninterrupted in any family forever. We also cannot expect to see annual rates of growth over 1% for centuries at a time. As I pointed out in 1986, the four billion people on earth in 1980 would multiply to over 83 trillion in a thousand years, if the rate of population growth were 1% per annum. But, the fact remains, the longer that the compound growth phenomenon continues, the smaller the annual percentage increase needs to be in order to produce spectacular results.

Let us assume that we are dealing with a given monetary unit. We can call it a talent. A young married man begins with 100 talents. Say that he multiplies this capital base by 2% per annum. At the end of 50 years, the couple has 269 talents. Let us assume that the heirs of the family multiply at 1% per annum, on the average, throughout each subsequent family's lifetime. After 250 years, if the growth rates both of people and capital persist, the total family capital base is up to 14,126 talents. Divided by 24 family units, each family now has 589 talents. This is almost a six-fold increase per family unit, which is considerable. We now have 24 family units, with each family possessing almost six times the wealth that the original family started out with, even assuming that each heir has married someone who has brought no capital into the marriage.

What if the capital base should increase by 3%? At the end of 50 years, the original couple would have 438 talents—over a four-fold increase. This is quite impressive. But at the end of 250 years, the family would possess 161,922 talents, over 1,600 times as large. Even divided

20. Walter Adams and Horace M. Gray, *Monopoly in America: The Government as Promoter* (New York: Macmillan, 1955); George Reisman, *The Government Against the Economy* (Ottawa, Illinois: Caroline House, 1979).

21. Gary North, "Walking Into a Trap," *The Freeman* (May 1978).

by 24 family units, the per family capital base would be 6,747 talents, or over 67 times larger than the original capital base of 100 talents.

Consider the implications of these figures. A future-oriented man—a man like Abraham—could look forward to his heirs' possessing vastly greater wealth than he ever could hope to attain personally. This is the kind of vision God offers His people, just as he offered to Abraham: heirs two or three generations later who will be numerous and rich. God offers a man the hope of substantially increased wealth during his own lifetime, in response to his covenantal faithfulness, hard work, and thrift. But God also offers the covenantal family truly vast increases in per family wealth, if the disciplined economic growth per family is maintained. The covenant community increases its control of capital, generation by generation, piling up ever-greater quantities of capital, until the growth becomes exponential, meaning astronomical, meaning impossible. Compound growth therefore points to the fulfillment of the dominion covenant, the subduing of the earth. It points to the end of cursed time.

It might be appropriate at this point to clarify what I mean when I speak about a covenant society amassing huge numbers of monetary units called talents. If we are speaking of a whole society, and not just a single family, then for all of them to amass 6,747 talents per family in 250 years, there would have to be mass inflation—the printing of billions of "talent notes." I am speaking not of physical slips of paper called talents; I am speaking of goods and services of value. One hundred talents per family, multiplied by all the families in the society, would not be able to increase in an economy based on a precious metal standard; instead, prices would fall in response to increased production of 3% per annum. Eventually, if the whole society experiences 3% per annum economic growth, given a fixed money supply, prices would begin to approach zero.

But prices in a cursed world will never reach zero; there will always be economic scarcity (Gen. 3:17–19).[22] In fact, scarcity is defined as a universe in which total demand is greater than supply at zero price. So, the assumption of permanent compound economic growth is incorrect. Either the growth process stops in the aggregate, or else time ends. That, of course, is precisely the point. Time *will* end.

A man whose vision is geared to dominion, in time and on earth, has to look to the years beyond his lifetime. He cannot hope to build up his family's capital base in his own lifetime sufficient to achieve

22. North, *Sovereignty and Dominion*, ch. 12.

conquest. If he looks two or more centuries into the future, it becomes a conceivable task. Only a handful of men can expect to amass a fortune in a single lifetime. If a man's time perspective is limited to his own lifetime, then he must either give up the idea of family dominion, or else he must adopt the mentality of the gambler. He has to "go for the big pay-off." He must sacrifice everything for capital expansion, risking everything he has, plus vast quantities of borrowed money, on untried, high-risk, high-return ventures. He must abandon everything conventional, for an investor earns only conventional returns (prevailing interest rate) from conventional ventures. The man's world becomes an endless series of all-or-nothing decisions.[23] He "puts it all on the line" time after time.

E. Trusteeship: Which Family?

The continuity of capital is obviously threatened by the rise of the familistic state. It establishes itself as the trustee for all men, from womb to tomb. It therefore demands support from those who receive its protection. Like a father, or better yet, like a distant uncle who guides the fortunes of an orphaned nephew, the state must administer the funds, always taking a large portion of those funds as a necessary fee for services performed.

As men steadily begin to perceive the implications of the familistic state, they seek to hide their assets from its tax collectors. Men try to find ways to pass along wealth to their legitimate heirs, and the state, as the enraged illegitimate heir, relentlessly searches for ways of closing off escape hatches. The new "parent" must not be deprived of its support from every member of the family. And once the capital is collected, it is dissipated in a wave of corruption, mismanagement, bureaucratic salaries, and politically motivated compulsory charity programs. Men see the erosion of their capital, and they seek to hide it away. They recognize what the pseudo-family of the state will do to the inheritance of their children. Still, because of their own entrenched envy, they are unwilling to turn back. They and their parents and grandparents accepted the philosophical justifications of "soaking the rich" by means of the ballot box, but now that price inflation has pushed everyone into higher tax brackets, they are horrified by what they find. They have now been snared themselves, but

23. This is the world of modern entrepreneurship. Only a few people can make huge fortunes. Still, the rest of us benefit from their initiative and uncertainty-bearing: Gilder, *Spirit of Enterprise*.

they seem unable to turn back, for to turn back would involve an admission of the immorality and inefficiency of the "soak the rich" programs of modern democratic politics.

1. Permanent Children

The modern messianic state would like to make permanent wards of its citizens. This is a primary justification for the state's existence today. It must administer the inheritance for the benefit of children. But the children are *perpetual servants* and a growing army, increasingly dependent upon the coercive wealth redistribution of politics. What we have here is a reversal of the New Testament teaching concerning sons and servants. "Now I say, That the heir, as long as he is a child, differeth nothing from a servant, though he be lord of all. But is under tutors and governors until the time pointed of the father" (Gal. 4:1–2). The state's bureaucrats do not recognize what every human parent must eventually recognize, namely, that he is going to become weak, and that he must encourage *independence on the part of his heirs* if he is to secure safety for himself in his old age. The state, by making men permanent children, guarantees its own demise, for the children cannot forever support the "trustee state," if the state has, in effect, institutionalized the voters.

The family is a trustee. By acknowledging the legitimacy of the laws of the family, men honor God, although the unregenerate do so unwittingly and in spite of their professed theology of autonomy before God. *External blessings flow to those who honor God's laws.* By establishing a tradition of honoring parents, sons increase the likelihood that in their old age their own children will protect them from the burdens of old age. The risks that life poses to the old are therefore minimized. The familistic welfare structure is reciprocal and personal. It is undergirded by revealed law and by family tradition. It need not rely heavily on the far weaker support of sentiment—an important aspect of the religion of humanism.[24] The growth of capital within the family increases each succeeding generation's ability to conquer nature to the glory of God, including the infirmities and vulnerabilities of old age.

The statist pseudo-family cannot permit this sort of challenge to its self-proclaimed sovereignty. The modern state has therefore laid claim to ownership of the children through the tax-supported public

24. Herbert Schlossberg, *Idols for Destruction: Christian Faith and Its Confrontation With American Society* (Wheaton, Illinois: Crossway, [1983] 1993), pp. 43–47.

school system. Children are obviously a form of family capital. They are to be trained, which involves costs to the parents. But the parents have a legitimate claim on a portion of the future assets of the children. The relationship involves costs and benefits for both generations. Neither side needs to buy the love of the other, any more than men need to buy the love of God. Each generation gives; each receives. The relationship is both personal and economic. But the modern state intervenes. It provides the children's education. It lays claim to future payments (taxes) by the children when they have reached maturity. Of necessity, it must try to buy the love (votes) of those children when they reach maturity. The children often remain subservient to the state-parent, unwilling to launch independent lives of their own, given the costs of breaking the financial and emotional tie with the welfare office. *Children, the covenant family's primary resource, are stolen by the modern state*. The state promises old age support. The state promises health care for the aged. The state provides state-financed and state-licensed education for the young. The modern state attempts to replace the benefits of the family, and simultaneously must require the same sort of financial support from the adults during their productive years. The relationship is impersonal and economic. The relationship is, by law, coercive and bureaucratic.

2. Impersonalism and Capital Consumption

This disastrous attempt of the state to replace the functions of the family eventually destroys the productive mutual relationships between generations. It destroys the personal bond, making the *young in general* legally responsible for the *old in general*. The family name—so central to the life of a godly social order—is erased, and computerized numbers are substituted. The incentives for families to preserve their capital, whether for old age or for generations into the future, are reduced, for each generation's economic future is no longer legally bound to the success and prosperity of the children. "Eat, drink, and be merry, for tomorrow there will be government money." But the dissipation of family capital, when it becomes a culture-wide phenomenon, destroys economic productivity, which in turn destroys the tax base of the state. The state cannot write the promised checks, or if it does, the monetary unit steadily grows less valuable, as fiat money inflates the price level.

By abandoning the principle of family responsibility, the modern messianic state wastes a culture's capital, destroys inheritance, and

makes more acceptable both euthanasia (which reduces the expense of caring for the unproductive elderly) and abortion (which reduces the expense of training and caring for the unproductive young). Lawless men, in their productive years, increasingly refuse to share their wealth with dying parents and squabbling children. They look only at present costs, neglecting future benefits, such as the care that the unborn might provide them in their old age. They have faith in *the compassionate and productive state*—the great social myth of the modern world. They want its benefits, but they never ask themselves the key question: Who will pay for their retirement years? Not the shrinking number of children, who are even more present-oriented, even more conditioned by the statist educational system, even more unwilling to share their wealth with the now-unproductive aged of the land. With the dissipation of capital, the productive voters will resist the demands of the elderly. *The generations go to war against one another—the war of politics*.

The pseudo-family state is an agent of social, political, and economic bankruptcy. It still has its intellectual defenders, even within the Christian community, although its defenders tend to be products of the state-supported, state-certified, and state-aggrandizing universities. *This pseudo-family is suicidal*. It destroys the foundations of productivity, and productivity is the source of all voluntary charity. It is a suicidal family which will pay off its debts with inflated fiat currency. Its compassion will be limited to paper and ink.

The impersonalism of the modern pseudo-family, along with its present-orientation—a vision no longer than the next election—will produce massive, universal failure of the welfare system. It has already done so. The rapid escalation of government-funded anti-poverty programs has created more poverty, except for the middle-class bureaucrats who operate the programs.[25] The great economic experiment that was launched in the twentieth century is failing in a wave of government deficits. All the college-level textbooks in economics, political science, and sociology will not be able to justify the system, once it erodes the productivity which every parasitic structure requires for its own survival. Like the Canaanitic cultures of Joshua's day, the end is in sight for the modern, messianic, welfare state economies. They have decapitalized their envy-driven, guilt-ridden citizens. Only to the extent that citizens hide their economic assets or

25. Charles Murray, *Losing Ground: American Social Policy, 1950–1980* (New York: Basic Books, 1984).

vote to reverse the politics of envy will they escape the clutching hand of today's spendthrift, senile pseudo-parent.

Conclusion

It is imperative for Christians to abandon the religion of humanism. It is imperative that they fulfill their responsibilities as members covenantal community. It is imperative that they see to it that their old people, as well as their young people, must not become in any way dependent upon the services of a declining welfare state. To become dependent on such an institution is to become a slave. Worse than this: it is to become dependent on a master whose economic resources are almost spent.[26] When men and women honor their fathers and mothers—financially, spiritually, and institutionally—they will have begun the painful but mandatory journey out of slavery. They will have begun to amass family capital for yet unborn generations.

The question is inescapable in any society: *Who will inherit*? The key issue in the fifth commandment is therefore the question of *legitimacy*. Every institution faces the question of continuity over time. The biblical pattern for the family is to become representative for all other institutions: the legitimate heir is the one who does the explicit will of the righteous parent. God the Father establishes these eternal standards of performance, including the laws of inheritance. We must begin by honoring the laws of family inheritance.

We must de-capitalize the state. This is a moral imperative. The alternative is for the state to de-capitalize us. If we are dependent on the state for its support, we are necessarily fostering the decapitalization of the family. *The first and crucial step in de-capitalizing the state is to cease calling for favors from the state*. It is to create alternative, voluntary, biblical institutions that will replace the pseudo-compassion of the messianic state. If the covenant communities refuse to accept this challenge, then they will see their capital dissipated by the spendthrift managers of the humanistic state. The archetypal bastard will then inherit the inheritance of the righteous.

This will not come to pass. "A good man leaveth an inheritance to his children's children: and the wealth of the sinner is laid up for the just" (Prov. 13:22). God has made it clear: the bastard should not and will not inherit.

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26. Jacques Barzun, *From Dawn to Decadence: 500 Years of Cultural Life, 1500 to the Present* (New York: HarperCollins, 2000), Epilog; Martin van Creveld, *The Rise and Decline of the State* (New York: Cambridge University Press, 1999), Conclusion.

The issue is family capital. The reason why this commandment is found in the first five, which relates to the priesthood, is two-fold. First, the head of the family is a household priest. He was the one who circumcised the newborn males of the household. Second, the church, not the civil government, is the back-up agency of welfare, after the family has either failed to act or has exhausted its resources. To protect the integrity of the Mosaic priesthood, this law made it clear that the family, not civil government, is the primary agency of welfare. Any attempt by the civil government to replace the welfare function of the family is an indirect attack on the authority of ecclesiastical government. It is an attempt to call into question the welfare function of both the family and the church.

Power flows to the agency that takes responsibility for providing aid in a crisis. By placing the family in the front line of welfare, this commandment builds a wall of protection around the church. The civil government cannot lawfully undermine the church by arrogating to itself the welfare function of society. The messianic state seeks both power and legitimacy as the true heir. Thus, it must become a welfare state. This commandment, when obeyed, undermines the legitimacy of the welfare state.

26

GOD'S MONOPOLY OF EXECUTION

Thou shalt not kill.

EXODUS 20:13

The theocentric focus of this law is God's protection of His own image, man. God is sacred. This clearly is an aspect of point one of the biblical covenant: God's sovereignty.[1] Thus, His image is sacred in the sense of being holy. As the Creator, God delegates to civil government the authority to execute murderers.

A. The Image of God

Man's life is protected because he is made in the image of God. "Whoso sheddeth man's blood, by man shall his blood be shed: for in the image of God made he man" (Gen. 9:6). The explanatory clause—"for in the image of God made he man"—can be understood in two different ways. *First*, it explains the nature of the violation: man's life is uniquely important to God, since man is made in God's image. An assault on man is an assault on the image of God. *Second*, the clause explains why men, by means of the civil government, are required to execute bloody judgment on murderers. Man is made in the image of God; therefore, as God's image, mankind can bring judgment in the name of God, the supreme Judge who executes final judgment. Man is God's agent who exercises God's delegated authority. He is an agent of the King. He is to exercise dominion over the earth.[2] Man is

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

2. Greg L. Bahnsen, *Theonomy in Christian Ethics*, 2nd ed. (Phillipsburg, New Jersey:

a royal agent, and as such, he deserves protection. Christ's parable of the rebellious husbandmen who slew the owner's emissaries, including his son, rests on the principle of God's ultimate sovereignty and the authority which He delegates to all men (Matt. 21:33–40).[3] Murder is rebellion, but a special kind of rebellion: lashing out at God's very image, the capstone of His creation. This is the most probable interpretation of the clause in terms of why murder is a capital crime. This explains why man-killing animals are to be executed (Gen. 9:5).[4]

Vengeance belongs to God (Deut. 32:35; Rom. 12:19;[5] Heb. 10:30). It is His monopoly. He avenges the blood of his servants (Deut. 32:35–43). Individual men do not have the right to act as executioners except by law: "Thou shall not avenge, nor bear any grudge against the children of thy people, but thou shalt love thy neighbor as thyself (Lev. 19:18). The context of this oft-quoted final clause is clearly the administration of judgment. Because God established His monopoly, transgression brings judgment. This boundary must be respected. We see an example of this—indeed, *the* example—in the garden of Eden. By challenging God's single, exclusive, and temporary monopoly in the garden, namely, the tree of the knowledge of good and evil, Adam and Eve rebelled, for they were attempting to play God, to usurp His position over creation. It was an attempt to worship an image: the image of God in man.

The *prohibition of graven images* in the second commandment should therefore be understood as the *repudiation of humanism* (Ex. 20:4).[6] All forms of idolatry are ultimately variations of *self-worship*, for it is man, as a self-proclaimed sovereign being, who asserts the right to choose whom he will worship in place of God. Man, the sovereign, decides.

Presbyterian & Reformed, [1977] 1984), p. 444.

3. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 43.

4. Because of the unnecessary exclusiveness of Bahnsen's interpretation of Genesis 9:6, which I discuss below, I need to stress the point that the right of the civil government to execute an animal should not be surprising, and the biblical defense of this right does not require any detailed exegesis, given the dominion covenant. It is not that the image of God in man uniquely empowers the civil government to execute animals; it is simply that the image of God in man is the reason why it is so heinous an act to kill a human being—so heinous that not even a "morally neutral" animal can escape the penalty. What the passage stresses is the responsibility of the civil government to execute an offending beast, not its authority to do so.

5. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 10.

6. Chapter 22.

Critics of capital punishment could argue that men are not to avenge, and that we must view capital punishment itself as a transgression of God's sole and exclusive monopoly of execution. This argument is dead wrong. The institution of civil government is entrusted with this responsibility. The individual may not execute another man, as if he were an autonomous agent of judgment, but the covenanted political community may do so. In fact, this power reduces the likelihood of blood vengeance by close relatives of the slain: blood feuds.

Why does the state have the right to slay transgressors? Because man is made in the image of God. God executes; so may covenant man. Bahnsen explained:

> The reason offered is that man is the *image of God*: man can accordingly carry out God's judgments on a creaturely level. Thinking God's thoughts after Him, man judges and penalizes after the commandment of God; man is properly *like God* his Father and Judge when he too judges crimes as God does. . . . Man should do this as well on his level as a creature, not in personal vindictiveness (i.e., such judgment does not apply to interpersonal affairs: 1 Thess. 5:15; 1 Pet. 3:9; Matt. 5:39; Rom. 12:17ff.), but as a matter of *social justice* (i.e., it is the *magistrate's* duty to punish criminals for the good of society: Rom. 13:1–4). The man created in God's image who has the responsibility of rule in human government (not citizens, not the church) is required to punish violators of God's law for the welfare of his country; he has the right to do this because he is the image of God and has God's law to direct him.[7]

Bahnsen then argued that it is not the death penalty as such that is the focus of Genesis 9:6, but rather the right of the civil government to *inflict* this penalty. "Instead of smoothly saying 'his blood is to be shed by man' the verse reads 'by man his blood is to be shed.' We stumble over the 'by man' due to its obtrusion and conspicuousness. Man's being made as God's image explains the infliction of the death penalty *by man*? In other words, "the proper question at Genesis 9:5f. is: what *right* has *man* to retaliate against the murderer? Genesis 9:6 gives the rationale: man is God's image."[8] Bahnsen's interpretation is an attempt to force us to choose between two views: (1) the image of God in man as the *cause* of the death penalty—the reason why such a harsh penalty must be imposed—and (2) the image as the *justification* of the civil government's God-given authority to inflict the penalty.

I do not choose between the two interpretations; I choose them both. The image of God in man makes sacred the life of man, as-

7. Bahnsen, *Theonomy*, p. 443.
8. *Ibid*, p. 444.

suming that he has not transgressed the law by committing a capital crime, but this image also legitimizes the execution of the transgressor in the case of murder. Both the *reason for* the death penalty against murderers and the *requirement of* capital punishment by the civil government are explained by the presence of the image of God. Nevertheless, there is a stronger emphasis on the image of God in man as the reason why murder must be punished by the death penalty, as I have already argued. The execution of man-killing animals required by Genesis 9:5 points more clearly to the magnitude of the crime than it points to the right of the civil government to inflict the supreme earthly penalty. But ultimately it points to both.

B. Murder and Execution

The usage, though not the grammar, of the Hebrew translated here as "kill" (*ratsach*) indicates murder or manslaughter. It means "to dash to pieces," but it is used in Numbers 35 and Deuteronomy 4:42 to indicate accidental manslaughter. The biblical definition of murder is the willful execution of one man by another, unless the execution is sanctioned by the civil government; it is referred to as the shedding of man's blood (Gen. 4:10). It is an act of man in rebellion against God.

The prohibition against the shedding of man's blood applies even to murderous animals (Gen. 9:5). Guilty animals are to be stoned to death, the Mosaic law's most common means of public execution (Ex. 21:28). Because owners are covenantally responsible for the administration of their property, if the owner of the beast had been warned beforehand that the animal was dangerous, he also must be executed. He is permitted to buy his life by the payment of restitution, however (Ex. 21:29–30).[9] Because all ownership is delegated, economic responsibility is necessarily personal.

There are no exceptions based on idiocy, temporary insanity, temporary anger, or anything else. Unless it can be proved that the death came as a result of an accident—no premeditation—the criminal is to be executed. The willful shedding of man's blood must be punished by the civil government by execution.

C. Protecting the Division of Labor

Each person in history has been assigned a role by God for extending His kingdom in history. There is no escape from the dominion cove-

9. Chapter 34.

nant (Gen. 1:26–28).[10] Man's existence as a creature is defined by this covenant. Therefore, in God's assignment to mankind as a species, each person contributes something to this process of dominion.

When anyone dies, his or her contribution to this process of dominion ceases. Within the overall providence of God, death plays a role in the process of dominion. Evil is cut short (Ex. 20:6). Its compounding process ceases.[11] But it is for God to determine when each person's contribution to the process should cease. No other individual is to intervene to speed up this removal on his time schedule. This includes suicide.

The division of labor is a crucial concept in the history of economic thought. Adam Smith placed it at the heart of his *Wealth of Nations* (1776). Smith's description of the pinmakers is probably the most famous passage in the history of economic thought. The pinmakers who possessed specialized machinery could produce far more than a comparable number of individual pin-makers, each acting alone.

In modern times, Leonard E. Read's metaphor of the pencil rivals Smith's for its power of communication. In "I, Pencil," Read had a pencil narrate the story of its origin. No one knows how to make a pencil, the pencil says. No one knows all that goes into wood, paint, lacquer, graphite, rubber, and metal, yet all are necessary for the production of a single inexpensive pencil. Without the complex division of labor, a pencil would be impossible to produce. Read wrote:

> Does anyone wish to challenge my earlier assertion that no single person on the face of this earth knows how to make me?
>
> Actually, millions of human beings have had a hand in my creation, no one of whom even knows more than a very few of the others. Now, you may say that I go too far in relating the picker of a coffee berry in far off Brazil and food growers elsewhere to my creation; that this is an extreme position. I shall stand by my claim. There isn't a single person in all these millions, including the president of the pencil company, who contributes more than a tiny, infinitesimal bit of know-how. From the standpoint of know-how the only difference between the miner of graphite in Ceylon and the logger in Oregon is in the type of know-how. Neither the miner nor the logger can be dispensed with, any more than can the chemist at the factory or the worker in the oil field—paraffin being a by-product of petroleum.
>
> Here is an astounding fact: Neither the worker in the oil field nor the chemist nor the digger of graphite or clay nor any who mans or makes the

10. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), chaps. 3, 4.

11. Chapter 23.

> ships or trains or trucks nor the one who runs the machine that does the knurling on my bit of metal nor the president of the company performs his singular task because he wants me. Each one wants me less, perhaps, than does a child in the first grade. Indeed, there are some among this vast multitude who never saw a pencil nor would they know how to use one. Their motivation is other than me. Perhaps it is something like this: Each of these millions sees that he can thus exchange his tiny know-how for the goods and services he needs or wants. I may or may not be among these items.

Then Read came to his main point. The point is incorrect, but it lies at the heart of all modern economic theory: the absence of an economic central planner.

> There is a fact still more astounding: the absence of a master mind, of anyone dictating or forcibly directing these countless actions which bring me into being. No trace of such a person can be found. Instead, we find the Invisible Hand at work. This is the mystery to which I earlier referred.[12]

But there *is* a Planner: a sovereign God who oversees all things and events. His is the "invisible hand"—Adam Smith's famous phrase. But this hand operates through a system of secondary, subordinate causation, which includes responsible acting individuals. The free market, through its pricing system and its system of sanctions—profit and loss—allows the creation of pencils and far more amazing products than pencils.

"No man is an island," the poet John Donne wrote in 1624. In his famous Meditation 17, he set forth the heart of the matter.

> No man is an island, entire of itself.
> Every man is a piece of the continent, a part of the main.
> If a clod be washed away by the sea,
> Europe is the less, as well as if a promontory were,
> as well as if a manor of thy friends or of thine own were.
> Any man's death diminishes me, because I am involved in mankind,
> and therefore never send to know for whom the bell tolls.
> It tolls for thee.

In the grand division of labor, each person's productive contribution benefits the entire society to some degree, although usually unmeasurable and unperceived. Even though no one knows how to make a pencil, and no one knows the value of a clod of earth, each plays its part. When anyone dies, the wealth of society is reduced.

12. "I Pencil: My Family Tree as Told to Leonard E. Read," *The Freeman* (Dec. 1958).

Murder is therefore an assault on the wealth of nations and individuals. It is one man's attempt to play God, an attempt to gain an immediate personal benefit—the elimination of an enemy—at the cost of reduced productivity for society. The murderer treats another person as if the victim were a zero-price resource whose negative impact can be inexpensively removed. Yet no man knows what might have been, what contribution the deceased victim might have made. No man is omniscient. No man can calculate the cost that his victim's death will impose on others.

God protects His image from murderers. He can count the cost of murder. He assesses this cost as being far too high for anyone to be allowed to impose on his own authority. So, He authorizes the civil government to impose a final sanction on murderers.

D. Delegated Monopoly

God has shared His monopoly of execution with men. The final power of death is held by Jesus Christ. "I am he that liveth, and was dead; and, behold, I am alive for evermore, Amen; and have the keys of hell and of death" (Rev. 1:18). It is He who triumphed over death (I Cor. 15). Christ is the *go'el*, the *kinsman-redeemer* who is also the family *avenger of blood* (Num. 35:19). Satan himself could not take Job's life without God's permission (Job 3:6). Only the original Creator of life has the original right to destroy life; only He can establish the standards by which man's life may be legitimately removed, including the standards of execution by the civil government.

The biblical view of the state unquestionably and irrefutably affirms the right and obligation of the state to execute men, for the Bible sets forth God's law. God has delegated this authority to the state. This assignment cannot lawfully be neglected—certainly not in the name of a "higher, more compassionate" interpretation of God's holy law. *To deny the legitimate, derived, and ministerial authority of the state in this regard is to deny the original sovereignty of God*. It is to call into question (1) God's Bible-revealed law, (2) man as the image of God, (3) the protection this image is entitled to, and (4) the responsibility of state officials under God. The denial of capital punishment is, in a very real sense, an attempt to deny God's right of final execution, i.e., the imposition of the penalty of the second death, eternal punishment in fire (Rev. 20:14). Such a position denies the right of God to offer murderers an earthly, institutional "down payment" or "earnest" that points to and affirms the reality of their future eternal punishment to

come. It also denies God's requirement that the convicted murderer be transferred to His supreme court immediately. Furthermore, by denying this right of execution to the state, the opponents of capital punishment are implicitly turning over the power of execution (as distinguished from the right of execution) to murderers and rebels. It reduces their risk of permanent bodily judgment.

Anarchists, rebels, warlords, and criminals all resent the legitimate authority of civil government. Such a authority points to an even higher authority and the final judgment. Man's very image is repulsive to murderers, for it also points to the subordination of mankind's being to a sovereign God. Man's image points to *man's subordinate responsibility*, but also possessing lawful authority as a ruler over creation. It points to *dominion*. Satan and his followers loathe this image. They loathe it and love death (Prov. 8:36). But the image of God in man, when regenerate, is a death-defying image.

When the state executes a murderer, it delivers the criminal to God's court. Whenever God establishes execution as the appropriate civil sanction, He declares what legal theorists call a *change of venue*. The accused is delivered to a court with a more comprehensive jurisdiction.

E. The Question of Deterrence

Do the opponents of capital punishment really play into the hands of the criminal classes? Does a society without capital punishment really transfer power into the hands of the lawless? Consider these historical facts. A murderer in the state of California in 1975 was eligible for parole in seven years.[13] In Massachusetts in the early 1970s, where no one had been executed since 1947,[14] the median time served in prison for homicide was under 30 months.[15] As Prof. James Q. Wilson noted: "And even in states that practice the death penalty, the chances of a murderer's being executed have been so small that a rational murderer might well decide to take the risk. There were eight thousand murders in 1960, but only fifty-six executions; thus, a murderer's chances of being executed were only about one in one hundred forty. After 1960 the number of executions dropped sharply, thus improving his chances."[16]

13. Frank G. Carrington, *The Victims* (New Rochelle, New York: Arlington House, 1975), p. 6.

14. James Q. Wilson, *Thinking About Crime* (New York: Basic Books, 1975), p. 192.

15. *Ibid.*, p. 166.

16. *Ibid.*, p. 192.

1. Deterring Crime

Scholars debate endlessly about whether or not the death penalty deters crime. Mafia members apparently have weighed the evidence and have discovered that *swift, predictable execution* does indeed influence people's behavior. Those who act as informers to the civil authorities wind up dead. This has made it difficult for civil authorities to find witnesses who will testify in court against criminal syndicates. The use of the threat of execution by secret societies of many varieties indicates just how effective the death penalty is in modifying people's behavior. Criminal societies, unlike modern scholars, may not have access to statistical data and complex explanations, but their members think they have adopted an effective approach to the "deviant behavior" problem. They may not have many footnotes, but they are still nearly immune to successful prosecution by the civil government. Capital punishment works well for them.

One of the important factors in designing punishments to fit the crime is the fact that most criminals are lower class. The best definition of class position was provided by Prof. Edward Banfield, in his book, *The Unheavenly City* (1970). He defined class in terms of future-orientation. An upper-class person is future-oriented. A lower-class person is present-oriented. This is another way of saying that a present-oriented person discounts the future more than a future-oriented person does. Banfield writes: "At the present-oriented end of the scale, the lower-class individual lives from moment to moment. If he has any awareness of a future, it is of something fixed, fated, beyond his control: things happen *to* him, he does not *make* them happen. Impulse governs his behavior, either because he cannot discipline himself to sacrifice a present for a future satisfaction or because he has no sense of the future. He is therefore radically improvident: whatever he cannot use immediately he considers valueless."[17] Future costs and future benefits register less forcefully on a lower-class person. This applies to punishment. He is not deterred by distant punishments when facing near-term benefits from committing a crime.

With the death penalty, the future cost is both radical and permanent. While the criminal discounts the future, the magnitude of this sanction is so great that he finds it difficult to discount it to zero, as he does with other forms of negative civil sanctions. This makes the death penalty the most important sanction. Once imposed, there is no escape.

17. Edward Banfield, *The Heavenly City Revisited* (Boston: Little, Brown, 1973), p. 61.

At the same time, the death penalty must not be imposed on criminals who commit crimes of lesser threats to social order. If this sanction is used indiscriminately to fight crime in general, the policy will backfire. One goal of civil law is to reduce the number of serious crimes. If the death penalty were imposed for stealing a bicycle, then bicycle thieves would become extremely dangerous. They would be ready to kill anyone who threatened to expose their crime or take action against it. If the maximum penalty for stealing a bicycle were the same as for murder, the imposition of capital punishment for stealing a bicycle would increase the number of murders. But the goal of the civil law is to reduce the number of murders.

If a sanction is considered by a jury as excessive, the jury will vote not to convict. The criminals will understand that, if captured, they will not be convicted. This subsidizes criminal behavior. This is another reason why the punishment must fit the crime. This is why the Bible requires restitution for crimes against property. Juries will more often convict.

The fundamental principle of biblical civil justice is victim's rights.[18] The victim has the right to prosecute. He also has the right to show mercy. But, in the case of murder, the victim did not survive. The civil government must therefore act on behalf of the deceased victim. It must assume that the victim would have prosecuted.

2. Humanism vs. God's Law

Humanism has steadily eroded the rule of God's law. The humanists have, again and again, substituted alternative punishments for those specifically required by the Bible. They have substituted long-term imprisonment for economic restitution to the victim by the criminal. They have substituted life imprisonment for the death penalty. They have substituted parole in three years for life imprisonment. The results have been disastrous.[19] From 1963 to 1992, crime rates in the United States soared. They also soared in Europe, due to similar causes. They did not soar in Asia.[20] There, theories of humanistic criminologists did not influence the civil courts.

People want social order. Without this order, too many scarce eco-

18. Chapter 37. Cf. Gary North, *Victim's Rights: The Biblical View of Civil Justice* (Tyler, Texas: Institute for Christian Economics, 1990).

19. Jessica Mitford, *Kind and Unusual Punishment: The Prison Business* (New York: Knopf, 1973).

20. Francis Fukuyama, *The Great Disruption: Human Nature and the Reconstitution of the Social Order* (New York: Free Press, 1999), pp. 31–36.

nomic resources must be assigned to crime prevention and safety programs. Voters want a system of prevention that maintains personal freedom for the innocent, but does not bankrupt the enforcing civil government.

There is little doubt that the vast majority of crimes go unpunished. Very few criminals are apprehended; few of these are brought to trial; few of these are convicted; few of these serve complete sentences. But, eventually, most criminals are caught. When they are "off the market," they are not victimizing the innocent. How can society reduce the number of serious crimes, given the reality of penalty?

Murder is a major crime. Victims are permanently disenfranchised. Thus, societies throughout history have imposed the death penalty. Even when a criminal knows that he may not be caught and convicted, the presence of the death penalty serves as a deterrent. If he is caught—if "his number comes up"—then the punishment is permanent. Those who believe in a chance universe are willing to take chances. All criminals take chances if they believe that the odds are in their favor. But losing a bet against capital punishment is something else. Losers don't get to "play the game" again.

When societies raise the stakes to criminals by imposing capital punishment for capital crimes, they thereby reduce the likelihood of criminals' committing these crimes. Furthermore, those who murder and who are convicted are not set free to kill again. While any single instance of criminal behavior may not be punished, eventually the professional criminal gets caught and convicted. If he is executed, all future crimes by this specialist in brutality are eliminated.

Society itself must not become brutal. By adhering to biblical law, a society can specify which crimes are capital and which involve paying restitution. But for those crimes that are specified as capital, the biblical commonwealth can reduce their likelihood even in an imperfect penal system which does not operate in terms of perfect knowledge. It raises the stakes so high that risk-taking criminals prefer to commit other sorts of crimes. The imperfection of the legal system is offset by the risk of permanent loss to the murderer.

Conclusion

Man, as the designated agent of the King of kings, possesses lawful authority. He is made in the image of the King, so he is to be protected by civil government. One aspect of this protection is the death penalty. God has delegated the right to execute to the civil govern-

ment. The civil government can also protect men from kidnapping, a capital crime (Ex. 21:16).[21] The police power of the state is to serve as one of the foundations of social stability.

The state thereby permits men to apply time and capital to their callings. It offers them legal predictability, which is vital to the flourishing of personal freedom and economic development. Most important, the right of the civil government to take a man's life under specified conditions is apt to remind men of the ultimate Judge who gives the gift of life, but who also retains the right to remove life from those who rebel against Him. The civil government's monopoly of execution testifies to God's absolute hostility against sin, especially the sin of striking out against God's own image.

This is an extremely important point. Man's life is to be protected, not because each man possesses a hypothetical absolute and original right of ownership over his own person (the fundamental assertion of most libertarian and anarcho-capitalist theoreticians), but because God is absolutely sovereign and the absolute owner of all things, including men. He will not permit His image, man, to be mortally wounded without imposing a form of judgment which, in time and on earth, is analogous to that final judgment beyond the grave. Peter speaks of "the grace of life" (I Pet. 3:7); to destroy human life is to reject grace. Murderers have no place in God's inheritance (Gal. 5:21; Rev. 21:8).

21. Chapter 38.

27

THE YOKE OF CO-OPERATIVE SERVICE

Thou shalt not commit adultery.

EXODUS 20:14

The theocentric basis of this law is God as the faithful husband of His chosen people, which Israel was in the Old Testament. This clearly is an aspect of point two of the biblical covenant: hierarchy.[1] The subordinate wife is not to commit adultery against her husband. The hierarchy of marriage must be maintained by both parties.

A. Bondage: An Inescapable Concept

As in all covenantal institutions, marriage necessarily involves the restraining factor of *discipline*. It is therefore a form of bondage. The Bible teaches that all creatures are bound by God through intermediaries established under His authority. *All life is bondage*. In Egypt, the people of God were in bondage. God delivered them: "I have broken the bands of your yoke" (Lev. 26:13b). Rebellion against God leads to the reimposition of bondage under God's enemies—an external manifestation of a spiritual condition (Deut. 28:48). The book of Judges is an account of this process.

When the Israelites fell away from God and began to worship the deities of the surrounding Canaanite nations, they were brought under the domination of these foreign nations. They "had their noses rubbed" in the cultures of God's enemies, until they cried out for

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

deliverance.[2] Therefore, men must bear a yoke of some kind: God's or Satan's. They are commanded to take up Christ's yoke, for it is a light and easy one (Matt. 11:29–30).[3] Men are always in *ethical bondage*, for they always serve either God or Mammon, the god of this world (Matt. 6:24).[4] Men must do the work of some master. There is no such thing as a free (autonomous) man. Man is always *subordinate*.

The yoke of marriage, as with all yokes, is a *yoke of labor*. This is one reason why Christians are cautioned to shun marriages with someone of another religious faith: labor performed by the partners will ultimately be at cross purposes (II Cor. 6:14).[5] There is a *fundamental ethical separation* between believers and unbelievers, so the work of the believing partner is necessarily compromised. The Old Testament prohibition against ethical dualism within covenantal institutions can be seen in the case-law application regarding oxen (clean beasts) and donkeys (unclean): they were not to be yoked together (Deut. 22:10).[6] If this rule is binding with respect to plowing, how much more binding in marriage!

A yoke provides *balance and direction* for both laborers. In the case of beasts of burden, the yoke multiplies the output of the two animals, and it also provides the master with a means of guiding their efforts. Neither animal can stray from its master or its partner. Each beast's labor should therefore complement the productivity of the other. The analogy of the yoke holds true for marriage. The seeds of the kingdom are sown in an orderly, productive, efficient manner. Marriage is a yoke of service.

The establishment of the marriage bond is an affirmation of interpersonal *communion*. Genesis 2:24 presents the concept of two persons' becoming one flesh, which is a distinctly theological description of the marriage bond. The act of physical union is a symbolic affirmation of this personal communion. Fornication (premarital sexual union) and adultery (post-betrothal sexual union with a partner other than one's mate) are both prohibited by God's law. The Bible sets forth explicit theological reasons for this prohibition, namely, God's ownership of mankind, and His specific design of the body for mo-

2. James B. Jordan, *Judges: God's War Against Humanism* (Tyler, Texas: Geneva Ministries, 1985).

3. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 25.

4. *Ibid*., ch. 14.

5. A slogan might be: "Marriage should be for the purposes of the cross, not at cross purposes."

6. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 55.

rality rather than immorality (I Cor. 6:13–20). Other implications are easy to discern. Fornication and adultery are symbolic affirmations of the legitimacy of communion outside of the marital covenant. Paul cites Genesis 2:24 in his presentation of the analogy between marriage and salvation: Christ's love for His church is like a man's love for his wife (Eph. 5:22–31).

B. Adultery

Adultery is the symbolic rejection of Christ's covenant with His church, an assertion of the impermanence of Christ's love and His commitment to His people. But even more fundamental is the foundation of all interpersonal relationships, the Trinity. The very Godhead is personal: total personalism in mutually self-exhaustive communion. The bond among the Persons of the Trinity is eternal. Adultery is therefore a symbolic denial of the permanence of the Trinity, as well as being a symbolic denial of the permanence of Christ's love for His church. Thus, when Adam and Eve sinned against God, they felt shame with particular intensity regarding their private parts, and they immediately hid them from each other, thereby introducing a symbolic barrier between themselves which reflected the new *ethical barrier* between themselves and God. It is not surprising that the Bible specifies the death penalty for adultery (Lev. 20:10; Deut. 22:22).[7] It is also not surprising that pagan nations in antiquity, being *polytheistic*, were marked by ritual prostitution near or inside the temples: many gods, many covenants, many communions.

Marriage is a *covenantal* institution. It is established by the exchange of vows, both implicit and explicit. These vows are three-way vows initially: man and wife under God. Relationships with children and parents are also involved. Because of the covenantal nature of these vows, their terms are subject to enforcement by external human institutions: family, church, and civil government. No one who violates these vows can legitimately escape the judgment of these earthly institutions, nor can he escape ultimate retribution (Gal. 5:19–21).

Adultery is a straightforward denial of the legitimacy of God's covenantal yoke. It is a denial of permanent communion, a denial of binding contracts, and a denial of the permanence of God's grace in election. It is ultimately a *denial of the Trinity*—an assertion of the interpersonal unfaithfulness of the Persons of the Godhead. Adultery

7. This was the maximum penalty authorized, imposed by the civil government at the discretion of the victimized spouse. Chapter, ch. 37, section on "Dying, He Must Die."

affirms the autonomy of man and the impermanence of man's institutions. It affirms that God's special love for His redeemed people is at bottom unpredictable and impermanent. In short, adultery affirms that Christ's love for His church is grounded in chance and lawlessness. *Adultery is a symbolic assertion of a radically false theology*. The ministry of the prophet Hosea was God's explicit and symbolic refutation of the theology of adultery.

Adultery disrupts the covenantal bonds of the family unit. It thwarts the proper administration of God's system of familistic capital. Based on mistrust, unfaithfulness, and a rejection of the restraints of verbal promises, adultery shatters the yoke of service. The result is predictable: the dissipation of familistic capital.

Vows are permanent. They cannot be revoked if they are made to God. "If a man vow a vow unto the Lord, or swear an oath to bind his soul with a bond; he shall not break his word, he shall do according to all that proceedeth out of his mouth" (Num. 30:2).[8] A woman's vow is binding 24 hours after her father (if she is single) or her husband has heard of it and has not revoked it (Num. 30:3–8). The vow of a widow or a divorced woman stands (Num. 30:9). Because of the covenantal nature of the vow to God, God holds the vow-taker responsible for the fulfillment of the vow. God is sovereign, and He holds men responsible.

Permanent or household slavery in the Old Testament was a vow taken voluntarily. The slave who wished to remain in his master's house beyond the sixth year, or beyond the jubilee year, could do so. The master drove an awl through the slave's ear and into the door (Deut. 15:17). It was a bloody symbol of a permanent relationship, even as the blood on the doorpost at the Passover was a sign of a family's permanent relationship with God (Ex. 12:7). The slave was no longer a chattel slave but rather an adopted son of the house.

Marriage involves the same bloody sign. The "tokens of virginity" of the Old Testament were almost certainly the bloody cloth of the wedding night, which was presented to the wife's father in order to protect her from the charge of premarital sexual activity made by a lying husband (Deut. 22:13–17). The cloth of verse 17 bore the mark of her virginity; it must have been blood. The blood of the circumcised male was also a covenantal sign of permanence.[9]

8. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 16.

9. Gary North, "The Marriage Supper of the Lamb," *Christianity and Civilization*, 4 (1985).

C. Time and Commitment

Yoked beasts clearly *belong* to someone. The same is true of yoked marriage partners. They serve some master. The marriage is a covenant bond, metaphysically always under God, but *ethically* under either Satan or God. The partners build for the future: a future under God or a future dominated by Satan. The yokeless beast is a wild beast; the family yoke domesticates each partner, rather like the yoke on beasts of burden.

The efforts of the marriage partners can be directed toward the *future*, for the family extends into the future through the children and the expansion of family capital. This future-oriented nature of the family adds incentives for thrift, careful planning, hard work, and economic growth. Each partner can rely on the assistance of the other, as well as the compassion of the other in times of crisis. This frees up the minds of both partners, for each knows that the other is there to help. What would otherwise be "uneven plowing" by one is smoothed out by the effect of the "yoke": the family goes forward, day by day, despite the occasional failings of either of the partners.

While yoked together, neither partner can stray far without the other; neither can go his or her own way without regard for the other. One of the most eloquent affirmations of the social value of marriage comes from George Gilder.

> The short-sighted outlook of poverty stems largely from the breakdown of family responsibilities among fathers. The lives of the poor, all too often, are governed by the rhythms of tension and release that characterize the sexual experience of young single men.... Civilized society is dependent upon the submission of the short-term sexuality of young men to the extended maternal horizons of women. This is what happens in monogamous marriage; the man disciplines his sexuality and extends it into the future through a woman's womb. The woman gives him access to his children, otherwise forever denied to him; and he gives her the product of his labor, otherwise dissipated on temporary pleasures. The woman gives him a unique link to the future and a vision of it; he gives her faithfulness and a commitment to a lifetime of hard work. If work effort is the first principle of overcoming poverty, marriage is the prime source of upwardly mobile work.[10]

Gilder also reported that, when marriages fail, the now-unencumbered husband may revert to the lifestyle of singleness. "On the average, his income drops by one-third and he shows a far higher propen-

10. George Gilder, *Wealth and Poverty* (New York: Basic Books, 1981), p. 70.

sity for drink, drugs, and crime." Thus, he concludes, "The key to the intractable poverty of the hardcore American poor is the dominance of single and separated men in poor communities."[11] Crime and social pathology in general increase when family cohesion decreases. This has been documented in literally thousands of sociological studies.[12] The problem for the conventional social scientist is that there are no generally acceptable measures that the civil government can take that will increase the stability of the family. As political scientist James Wilson says, "I cannot imagine any collective action we could take consistent with our civil liberties that would restore a moral consensus. . . ."[13]

There is one step, however, that could be taken without violating civil liberties. In fact, it would increase civil liberties by reducing the size of the state. It is the step that the politicians believe that they dare not consider, yet which must eventually be considered: the abolition of all forms of state welfare payments, especially aid to dependent children. This is the recommendation of Charles Murray, whose 1984 book, *Losing Ground*, revealed the extent of the moral and social bankruptcy of the Federal welfare programs. Murray made clear what is taking place. The state is subsidizing immorality, and immorality is disrupting the society. In 1960, approximately 224,000 children in the United States were born to single mothers; in 1980, over 665,000 of these children were born.[14] This increase was especially marked within the black community. From 1950 through 1963, just before President Johnson's heralded "War on Poverty" began, black illegitimate births rose slowly from 17% of all black births to 23%. In 1980, 48% of all live births among blacks were to single women.[15] Furthermore, a growing proportion of all illegitimate children are being born to teenagers.[16] This, it should be pointed out, took place during the period in which compulsory "sex education" courses were being established in the government school systems.

In 1950, about 88% of white families consisted of husband-wife households, and about 78% of black families did. In a single year, 1968, the percentage for black families slipped from 72% to 69%, and

11. *Ibid.*, p. 71.

12. Urie Bronfenbrenner, "Origins of Alienation," *Scientific American*, Vol. 231 (Aug. 1974).

13. James Q. Wilson, *Thinking About Crime* (New York: Basic Books, 1975), p. 206.

14. Charles Murray, *Losing Ground: American Social Policy, 1950–1980* (New York: Basic Books, 1984), pp. 125–26.

15. *Ibid.*, p. 126.

16. *Ibid.*, p. 127.

in the next five years, it dropped another six percentage points. By the end of 1980, the proportion was down to 59%.[17] As Murray said, "a change of this magnitude is a demographic wonder, without precedent in the American experience."[18] "As of 1980, 65 percent of all poor blacks who were living in families were living in families headed by a single female. The parallel statistic for whites was 34 percent."[19]

What about low-income blacks—not just the hard-core poor? These are people with incomes equal to or up to 25% above the defined poverty level. "In 1959, low-income blacks lived in families very much like those of low-income whites and, for that matter, like those of middle- and upper-income persons of all races. Barely one in ten of the low-income blacks in families was living in a single-female family. By 1980, the 10 percent figure had become 44 percent." This was higher than the percentage common among poor whites.[20]

Murray's conclusion is eloquent, and it gets right to the point: The presence of long-term poverty is not primarily a function of family income. It is a function of morality, time perspective, and faith regarding economic causes and effects.

> Let us suppose that you, a parent, could know that tomorrow your own child would be made an orphan. You have a choice. You may put your child with an extremely poor family, so poor that your child will be badly clothed and will indeed sometimes be hungry. But you also know that the parents have worked hard all their lives, will make sure your child goes to school and studies, and will teach your child that independence is a primary value. Or you may put your child with a family with parents who have never worked, will be incapable of overseeing your child's education—but who have plenty of food and good clothes, provided by others. If the choice about where one would put one's own child is as clear to you as it is to me, on what grounds does one justify support of a system that, indirectly but without doubt, makes the other choice for other children? The answer that 'What we really want is a world where that choice is not forced upon us' is no answer. We have tried to have it that way. We failed. Everything we know about why we failed tells us that more of the same will not make the dilemma go away.[21]

The dilemma did not go away. In 2006, the rates of illegitimate births in the United States were as follows: whites (non-Hispanics),

17. *Ibid.*, pp. 129–30.
18. *Ibid.*, p. 130.
19. *Ibid.*, p. 132.
20. *Idem.*
21. *Ibid.*, p. 233.

26.6%; African-Americans, 70.2%; American Indians, 64.7%; Hispanics, 50%.[22] The poverty rate among racial groups and the illegitimacy rate among these groups remained closely correlated.

The defenders of modern socialism—who are far fewer in 2012 than in 1986—and defenders of the welfare state have closed their eyes for three generations or more to the testimony of the Bible, and also to the testimony of the statisticians. They cling to a demonic view of stewardship, with the pseudo-family of the state at the head of the financial household. The result has been the destruction of families and also the productivity and social peace produced by the family.

D. Binding Contracts and Economic Growth

Covenants are binding. If men refuse to accept this truth, the possibilities for economic development in a society are thereby reduced. The historic link between the biblical idea of binding covenants and the West's idea of binding contracts is obvious enough. The covenant of marriage supports the institution that was the first to implement the division of labor. Without the predictability associated with contracts, the division of labor is hampered. Contracts involve the sharing of the fruits of combined labor.

Nowhere is this more apparent than in the family unit. The basis of the idea of a contract, like the idea of a covenant, is *personal faithfulness*. It begins with the Trinity, extends to the relationship between Christ and His church, undergirds the family, and makes long-term economic co-operation possible. A covenant is binding in the same way that an individualistic vow to God is binding. God is the sanctioning agent. A contract, which does not have the same degree of authority as a covenant or a vow to God, nevertheless is analogous. If the model of permanence for contracts, namely, the vow or the covenant, is denied true permanence, then how much less permanent are contracts!

When J. D. Unwin examined the relationship between monogamy and cultural development, he found that in every society that he studied, the absence of monogamy guaranteed the eventual stagnation or retrogression of that society.[23] The Bible provides us with the in-

22. Centers for Disease Control, *National Vital Statistics Reports*, vol. 57, No. 7 (Jan. 2009), Table 18, p. 54.

23. J. D. Unwin, *Sex and Culture* (New York: Oxford University Press, 1934). Cf. Unwin, "Monogamy as a Condition of Social Energy," *The Hibbert Journal*, XXV (July 1927); reprinted in *The Journal of Christian Reconstruction*, IV (Winter 1977–78).

formation concerning man that allows us to understand why such a relationship between monogamy and culture should exist. The promise of external blessings is held out to those societies that covenant themselves with God, and which enforce the terms of that covenant, biblical law. The archetypal symbol of the rejection of God's covenant is adultery. The old business rule is close to the truth: "A man who cheats on his wife will probably cheat on anybody." It may not hold true in every single instance of adultery by a businessman, but when a society accepts adultery as "business as usual," business will not long retain its character as an enterprise marked by binding contracts. Honest business will become increasingly unusual, and litigation costs will rise, as men seek to enforce contracts. This represents needless waste—needless from the point of view of the dominion covenant. Lawyers prosper and multiply—a sign of a collapsing culture.

Thomas Sowell pointed out the importance of rigid, formal, and enforceable rules regarding marriage. His insights are to the point.

> Society itself may need to guarantee that certain relationships will remain rigid and inviolate in all but the most extraordinary circumstances. Much socially beneficial prospective action will not take place, or will not take place to the same extent, without rigid guarantees. The heavy investment of emotion, time, and resources necessary to raise a child would be less likely in a society where the child might at any moment, for any capricious reason, be taken away and never seen again. Such behavior is rejected not only for its retrospective injustice but also for its *prospective* effect on parental behavior. Not only will the state forebear from such behavior; it will use severe sanctions against private individuals who do such things (kidnappers). This rigid legal framework of parent-child relationships provides the protective setting within which the most flexible kinds of parent-child social relationships may develop.[24]

Sowell immediately proceeded to the questions of property and ownership, "Similar considerations apply across a spectrum of other social arrangements, particularly those involving long and large individual investments of efforts for prospective personal and social benefits. Property rights introduce rigidities into the use of vast amounts of many resources—by excluding all but the legal owner(s) from a serious voice in most of the decisions made about the disposition of the resources—on the assumption that such losses as are occasioned by this rigidity are more than offset by the gains in prospective be-

24. Thomas Sowell, *Knowledge and Decisions* (New York: Basic Books, 1980), p. 31.

havior by people acting under these guarantees."[25] There is a socially indivisible link between rules protecting the integrity of the family and rules protecting private property. The civil government must enforce these rules.

Christians who are familiar with the commandment against coveting should understand this important link between family and property. "Thou shalt not covet thy neighbour's house, thou shalt not covet thy neighbour's wife, nor his manservant, nor his maidservant, nor his ox, nor his ass, nor any thing that is thy neighbour's" (Ex. 20:17).[26] Socialism is the legislated economics of covetousnesss. It is as much a threat against the family's integrity as adultery is a threat to the integrity of the free market's contractual order.

Sowell's analysis is accurate. If the following paragraph were understood and implemented by societies that regard themselves as Christian—and even by societies that do not regard themselves as Christian—the world would prosper economically.

> Someone who is going to work for many years to have his own home wants some fairly rigid assurance that the house will in fact belong to him—that he cannot be dispossessed by someone who is physically stronger, better armed, or more ruthless, or who is deemed more "worthy" by political authorities. Rigid assurances are needed that changing fashions, mores, and power relationships will not suddenly deprive him of his property, his children, or his life. Informal relationships which flourish in a society do so within the protection of formal laws on property, ownership, kidnapping, murder, and other basic matters on which people want rigidity rather than continuously negotiable or modifiable relationships.[27]

E. Libertarian Contracts

A major theoretical dilemma for the modern libertarian or anarcho-capitalist is the problem of the lifetime contract. Each man is seen as the absolute owner of his own body. He therefore can legitimately make contracts with other men that involve his own labor services. *He is absolutely sovereign over his own person*. This is the theoretical foundation of almost all libertarian thought. Murray Rothbard wrote: "The central core of the libertarian creed, then, is to establish the absolute right to private property of every man: first, in his own body, and second, in the previous unused natural resources which he first transforms by his labor. These two axioms, the right of self-ownership and

25. *Idem*.
26. Chapter 30.
27. *Ibid*., p. 32.

the right to 'homestead.' establish the complete set of principles of the libertarian system."[28]

But then there arises the problem of slavery: *the lifetime contract*. Man, the absolute sovereign agent, seems to be able to *sign away his autonomy* in such a contract. To say that man cannot legitimately sign such a contract—that such a contract is not morally or legally binding—is to say that there are limits placed on this autonomous sovereignty of man. This is the libertarian's version of the old question: "Is God powerful enough to make a rock so heavy that He cannot lift it?" The libertarians ask: "Is man sovereign enough to make a contract so binding that he cannot break it?" The theist is not particularly bothered by the real-life applications of the God-rock paradox, but the libertarian faces several paradoxical problems that are only too real. First, how long is a contract really binding, if lifetime contracts are illegitimate? Forty years? Four years? Four weeks? When does the absolute sovereignty of a man to make a binding contract come into conflict with the absolute sovereignty of a man not to be bound by any permanent transfer of his own will? Lifetime slavery is immoral and illegal in a libertarian framework. A libertarian must argue that such a contract should always be legally unenforceable. But what about a 10-year baseball contract? Second, and more to the point, what about marriage?

Rothbard was the most consistent and innovative of the libertarian economists. He stated his position with his usual clarity: ". . . a man cannot permanently transfer his will, even though he may transfer much of his services and his property. As mentioned above, a man may not agree to permanent bondage by contracting to work for another man for the rest of his life. He might change his mind at a later date, and then he cannot, in a free market, be compelled to continue working thereafter. Because a man's self-ownership over his will is inalienable, he cannot, on the unhampered market, be compelled to continue an arrangement whereby he submits his will to the orders of another, even though he might have agreed to this arrangement previously."[29] In the footnote, he added: "In other words, he cannot make enforceable contracts binding his future personal actions. . . . This applies also to *marriage contracts*. Since human self-ownership

28. Murray N. Rothbard, *For a New Liberty: The Libertarian Manifesto*, rev. ed. (New York: Collier, 1978), p. 39.

29. Murray N. Rothbard, *Man, Economy, and State: A Treatise on Economic Principles*, 2nd ed. (Auburn, Alabama: Mises Institute, [1962] 2009), p. 164.

cannot be alienated, a man or a woman, on a free market, could not be compelled to continue in marriage if he or she no longer desired to do so. This is regardless of any previous agreement. Thus, a marriage contract, like an individual labor contract, is, on an unhampered market, terminable at the will of *either one* of the parties."[30]

The libertarian concept of absolute self-ownership as the foundation of all economic exchanges sinks into oblivion when it hits the libertarian concept of the illegitimacy of lifetime contracts. The libertarian's universe could not bind a man to perform any sort of future labor service. It certainly could not require him to love, cherish, and support a recently abandoned wife. She may have given him her youth in the days of her beauty—her "high-yield capital" stage, or her "high exchange value capital" stage—but once this capital is gone, she is without legal protection. Thus, *the radical impermanence of libertarian contracts* would threaten the social fabric of any society so shortsighted as to adopt this social philosophy as its foundation. The *future-orientation* provided by the safety of permanent vows in a godly society could not exist in a consistently libertarian society. There would be no institutional means of enforcing the terms of covenants, and this would eventually reduce men's confidence in the enforceability of shorter-run contracts. A society that rejects the binding nature of covenants will not long retain the economic blessings of binding contracts.

Conclusion

A biblical social order protects a man's life, wife, and property. The woman is protected, too. The time perspective of such a society will be longer term than a social order (disorder) characterized by adultery, divorce, illegitimate births, and single-parent households. Whenever a social order is marked by successful attacks against private property and also by the removal of stringent sanctions against adultery, the social order in question has departed from the standards set forth in the Bible. It has adopted an anti-biblical religion, whatever the official pronouncements of its leaders, including its church leaders. A survey of 950 religious teachers and counsellors, which was conducted by the University of Houston in 1984, revealed that of the 500 who responded to the questionnaire, 40% did not believe that premarital heterosexual sex is immoral, and that 87% believed that adul-

30. *Idem.*, footnote 35. Emphasis in original.

tery should not be a crime. Sixteen per cent said that adultery is not morally wrong, 9% were uncertain, and 75% said it is morally wrong. But almost none of them thought the civil government has any role in punishing adulterers. Only 53% said that the legal system ought to limit marriage to people of opposite sexes.[31] When the religious and political leaders of a society begin to wink at adultery, they will soon enough wink at coercive wealth redistribution, confiscatory taxation, and the compulsory retraining of children by statist planners. In fact, we can expect to see these leaders not only wink at such invasions of both the family and property, but also actively pursue these policies. There are too many adulterers in the highest seats of civil government and in the pulpit.

In the sixth commandment, we are told that man's life is sacrosanct, for man is made in God's image. In the seventh, we are told that the marriage covenant is also sacrosanct, for it reflects the covenantal bond of Christ with His church, and even the covenantal bond within the Trinity.

The yoke of co-operative service necessarily involves a hierarchy: husbands possess lawful (though biblically specified) authority over their wives. But this possession is mutual, Paul tells us: the man's body belongs to the wife, and her body belongs to him (I Cor. 7:4). The husband's authority is therefore limited. Each of the partners belongs to God, whose ownership is absolute. But God's ultimate authority is reflected in the husband's authority. This hierarchy reflects the hierarchy of God the Father over God the Son. Thus, the seventh commandment parallels the second: there must be authority, hierarchy, and obedience.

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31. Associated Press story, *Tyler Morning Telegraph* (Dec. 28, 1984).

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THE RIGHTS OF PRIVATE PROPERTY

Thou shalt not steal.

EXODUS 20:15

The theocentric focus of this law is God as the original owner of the creation. Its judicial precedent was God's command to Adam not to eat of the tree of the knowledge of good and evil, which belonged exclusively to God. That tree was a symbol of all five points of the covenant: the sovereignty of God, the hierarchical structure of creation, the ownership boundary around property, sanctions—positive (knowledge) and negative (death)—and man's inheritance in history. But the primary judicial issue was boundaries. Boundaries are an aspect of point three of the biblical covenant.[1] Those people and institutions to whom God delegates temporary ownership of property are to be protected from theft. This law is a requirement of effective kingdom-building.

A. The Number-One Passage

It has long been recognized by Christian commentators that the biblical case for private property rests more heavily on this passage than on any other passage in the Bible. Individuals are prohibited by biblical law from forcibly appropriating the fruits of another man's labor or his inheritance. The civil government is required by the Bible to defend a social order based on the rights of private ownership. The various laws requiring restitution that are found in Exodus 22 explicitly limit the state in its imposition of sanctions against thieves, but there can be no doubt that the civil government is required to impose them.

1. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012).

Rights of ownership mean that God transfers to specific men and organizations the unique authority to use specific property for certain kinds of ends. The state is required to *exclude* others from the unauthorized use of such property. Property *rights* therefore refer to *legal immunities* from interference by others in the administration of property. The duties associated with dominion are more readily and effectively achieved by individuals and societies through adherence to the private property system, which is one reason why the Bible protects private ownership. *Private property is basic to effective dominion*.

The only conceivable biblical argument against this interpretation of the commandment against theft would be an assertion that the only valid form of ownership is ownership by the state, meaning control by bureaucracies established by civil law. But to argue along these lines demands evidence that the Bible, both Old Testament and New Testament, authorized the public (state) ownership of all goods. There is not a shred of evidence for such a view, and massive evidence against it. The tenth commandment prohibits coveting the property of a *neighbor*. The state is no one's neighbor. The state has no wife to covet. The social order that is presented as binding in the Mosaic law is a social order that acknowledges and defends the rights—the *legal immunities*—of private property. This prohibition against theft binds individuals and institutions, including the state. This commandment does not say, "Thou shalt not steal, except by majority vote."

B. God's Ownership, Man's Stewardship

The foundation of property rights is the ultimate ownership of all things by God, the Creator. God owns the whole world. "For every beast of the forest is mine, and the cattle upon a thousand hills. I know all the fowls of the mountains: and the wild beasts of the field are mine. If I were hungry, I would not tell thee: for the world is mine, and the fulness thereof" (Ps. 50:10–12).[2] God's sovereignty is absolute. The biblical concept of property rests on this definition of God's authority over the creation. The Bible provides us with data concerning God's delegation of responsibility to men—as individuals and as members of collective associations—but all human sovereignty, including property rights, must be understood as *limited, delegated, and covenantal*.

2. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

Christ's parable of the talents presents the sovereignty of God in terms of the analogy of a loan from a lord to his servants. The servants have an obligation to increase the value of the capital entrusted to them. They are directly responsible to their lord, who is the real owner of the capital. *Ownership is therefore stewardship*. Men's rights of ownership are delegated, legally enforceable rights. God's "loan" must be repaid with capital gains, or at the very least, with interest (Matt. 25:27).[3] This is one of Christ's "pocketbook parables," and while it was designed to illustrate God's absolute sovereignty over the affairs of men, it nevertheless conveys a secondary meaning, namely, the legitimate rights of private ownership. Each man is fully responsible before God for the lawful and profitable administration of God's capital, which includes both spiritual capital and economic capital (Luke 12:48).[4]

God distributed to Adam and Eve the resources of the world. They were made covenantally responsible for the care and expansion of this capital base when God established His dominion covenant with them. This same covenant was reestablished with Noah and his family (Gen. 9:1–7).[5] In the originally sinless condition of Adam and Eve, this initial distribution of the earth's resources could be made by God in terms of an original harmony of anyone's interests.[6] This harmony included *hierarchy*, for Eve was functionally subordinate to Adam (though not ethically inferior).[7] The God-designed harmony of interests was never an egalitarian relationship. It is surely not egalitarian in the post-Fall world. The church, as the body of Christ, is similarly described in terms of an organic unity which is supposed to be harmonious, with each "organ" essential to the proper functioning of the whole, yet with each performing separate tasks (I Cor. 12).[8] All are under Christ, the head of the church (Eph. 5:23).

God's universe is orderly. *There is a God-ordained regularity in economic affairs*. There is a predictable, lawful relationship between personal industriousness and wealth, between laziness and poverty. "How long wilt thou sleep, O sluggard? When wilt thou arise out

3. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 47.

4. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

5. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 18.

6. *Ibid*., ch. 10.

7. *Ibid*., p. 123.

8. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 15.

of thy sleep? Yet a little sleep, a little slumber, a little folding of the hands to sleep: So shall thy poverty come as one that travelleth, and thy want as an armed man" (Prov. 6:9–11). "Wealth gotten by vanity shall be diminished: but he that gathereth by labour shall increase" (Prov. 13:11).[9] This applies to individuals, families, corporations, and nations. Not every godly man or organization will inevitably prosper economically, in time and on earth, and not every evil man will lose his wealth during his lifetime (Luke 16:19–31),[10] but in the aggregate, there will be a significant correlation between *covenantal faithfulness* and *external prosperity*. In the long run, the wealth of the wicked is laid up for the just (Prov. 13:22).[11] This same principle applies to national, cultural, and racial groups (Deut. 8).[12] Covenantal law governs the sphere of economics. Wealth flows to those who work hard, deal honestly with their customers, and who honor God. To argue, as the Marxists and socialists do, that wealth flows in a free market social order towards those who are ruthless, dishonest, and blinded by greed, is to deny the Bible's explicit teachings concerning the nature of economic life. It is a denial of the covenantal lawfulness of the creation.

C. The Theology of the Welfare State

Critics of the capitalist system have inflicted great damage on those societies that have accepted such criticisms as valid. Men have concluded that the private property system is rigged against the poor and weak, forcing them into positions of permanent servitude. Historically, on the contrary, *no social order has provided more opportunities for upward social mobility than capitalism*. The remarkable advance of numerous immigrant groups, but especially of Eastern European Jews, in the United States from 1880 to 1950, is historically unprecedented.[13] Today, the policies of the welfare state are making lifetime dependents out of a substantial minority of citizens.[14] The modern welfare system is deeply flawed, not simply because it uses coercion to take income from the employed, but because it destroys the will

9. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 40.

10. North, *Treasure and Dominion*, ch. 40.

11. North, *Wisdom and Dominion*, ch. 41.

12. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), chaps. 21, 22.

13. Cf. Thomas Sowell, *Race and Economics* (New York: David McKay Co., 1975), Part II.

14. George Gilder, *Wealth and Poverty* (New York: Basic Books, 1981), chaps. 6–13.

of the recipients to escape from the welfare system.[15] The politics of welfare is also leading to class conflict. George Gilder's words are eloquent in this regard:

> A program to lift by transfers and preferences the incomes of less diligent groups is politically divisive—and very unlikely—because it incurs the bitter resistance of the real working class. In addition, such an effort breaks the psychological link between effort and reward, which is crucial to long-run upward mobility. Because effective work consists not in merely fulfilling the requirements of labor contracts, but in 'putting out' with alertness and emotional commitment, workers have to understand and feel deeply that what they are given depends on what they give—that they must supply work in order to demand goods. Parents and schools must inculcate this idea in their children both by instruction and example. Nothing is more deadly to achievement than the belief that effort will not be rewarded, that the world is a bleak and discriminatory place in which only the predatory and the specially preferred can get ahead. Such a view in the home discourages the work effort in school that shapes earnings capacity afterward. As with so many aspects of human performance, work effort begins in family experiences, and its sources can be best explored through an examination of family structure. Indeed, after work the second principle of upward mobility is the maintenance of monogamous marriage and family.[16]

The biblical perspective on marriage, like the biblical perspective on the foundations of economic growth, points to both ideas: the relationship between work and reward, and the central importance of the family bond. Men are told to have faith in the work-reward relationship, which encourages them to take risks and invest time and effort to improve their own personal work habits. The Bible tells us that such efforts will not go unrewarded, whether on earth or in heaven (I Cor. 3:10–15).[17] The habits of discipline, thrift, long hours of effort, investment in work skills, and the instruction of children in this philosophy of life will not be wasted, will not be "capital down the drain." On the contrary, the Bible teaches that *such an approach to life is the very essence of the dominion covenant*.

When philosophies contrary to the philosophy of capital accumu-

15. Charles Murray, *Losing Ground: American Social Policy, 1950–1980* (New York: Simon & Schuster, 1984).

16. Gilder, *Wealth and Poverty*, pp. 68–69. Gilder's book is second only to Murray's *Losing Ground* as a study of the welfare state and its destruction of the avenues of private economic advancement. It is not equally good on questions of fiscal and monetary policy. For a critique of Gilder's recommended monetary policies, see Gary North, *The Last Train Out* (Ft. Worth, Texas: American Bureau of Economic Research, 1983), pp. 9–13.

17. North, *Judgment and Dominion*, ch. 3.

lation and private economic dominion are encountered, Christians should recognize them for what they are. When men are taught that the capitalist system is rigged against them, that they have a legal and moral right to welfare payments, and that those who live well as a result of their own labor, effort, and forecasting skills are immoral and owe the bulk of their wealth to the poor, we must recognize the source of these teachings: the pits of hell. This is Satan's counter-philosophy, which is expressly intended to thwart godly men in their efforts to subdue the earth to the glory of God. This radically anti-biblical philosophy is not simply a matter of intellectual error; it is a *conscious philosophy of destruction*, a systematically anti-biblical framework that is calculated to undercut successful Christians by means of false guilt and paralysis. That such teachings were popular among Christian intellectuals in the latter years of the twentieth century testifies to their abysmal ignorance—indeed, their judicial blindness (Matt. 13:14–15)—concerning both biblical ethics and economic theory. Christian intellectuals by the mid-twentieth century had adopted the politics of envy from the secular humanists, especially in college and seminary classrooms. We live in an age of guilt-manipulators, and some of them use Scripture to persuade unsuspecting Christians of the truth of their anti-biblical worldview.[18] They are either wolves in sheep's clothing or else they are ill-informed to the point that they are dangerous to church and society.

D. Theft and Market Value

Christian commentators have, from earliest times, understood that the prohibition of theft, like the prohibition against covetousness, serves as a defense of private property. Theft is an autonomous, willful act of economic redistribution, and therefore it is a denial of the legitimacy and reliability of God's moral and economic law-order.

The immediate economic effect of widespread theft in society is the creation of insecurity. This lowers the market value of goods, since

18. David Chilton, *Productive Christians in an Age of Guilt-Manipulators: A Biblical Response to Ronald J. Sider*, 3rd ed. (Tyler, Texas: Institute for Christian Economics, [1981] 1996). Sider finally abandoned much of his state-expanding economics in the twentieth anniversary edition of *Rich Christians in an Age of Hunger* (Nashville, Tennessee: Nelson, 1997). See North, *Inheritance and Dominion*, Appendix F. Sider's successor is Jim Wallis, whose book, *God's Politics* (New York: HarperSanFrancisco, 2005), extends much of Sider's original analysis. I maintain a continuing refutation of Wallis on my website, www.garynorth.com: Questions for Jim Wallis. See also Joel McDurmon, *God versus Socialism: A Biblical Critique of the New Social Gospel* (Powder Springs, Georgia: American Vision, 2009), ch. 10.

people are less willing to bid high prices for items that are likely to be stolen. Uncertainty is increased, which requires that people invest a greater proportion of their assets in buying protection services or devices. Scarce economic resources are shifted from production and consumption to crime fighting. This clearly lowers per capita productivity and therefore per capita wealth, at least among law-abiding people.

The internal restraints on theft that are provided by godly preaching and upbringing help to reduce crime, thereby increasing per capita wealth within the society. *Godly preaching and active church courts* are therefore forms of *capital investment* for the society as a whole (what the economists call "social overhead capital"), for they release scarce economic resources that would otherwise have been spent on the protection of private and public property. Such preaching and church court actions also reduce the necessary size of the civil government, which is important in reducing the growth of unwarranted state power.

What is true about the reduction of theft is equally true concerning the strengthening of men's commitment to private property in general. When property rights are carefully defined and enforced, the value of property increases. Allen and Alchian, in their college-level economics textbook, commented on this aspect of property rights. "For market prices to guide allocation of goods, there must be an incentive for people to express and to respond to offers. If it is costly to reveal bids and offers and to negotiate and make exchanges, the gains from exchange might be offset. If each person speaks a different language [as at the tower of Babel—G.N.], if thievery is rampant, or if contracts are likely to be dishonored, then negotiation, transaction, and policing costs will be so high that fewer market exchanges will occur. If *property rights* in goods are weaker, ill defined, or vague, their reallocation is likely to be guided by lower offers and bids. Who would offer as much for a coat likely to be stolen?"[19] The authors believe that the higher market value of goods that are protected by strong ownership rights spurs individuals to seek laws that will strengthen private-property rights. Furthermore, to the extent that private-property rights exist, the *power of the civil government* to control the uses of goods is thereby *decreased*. This, unfortunately, has led politicians and jurists to resist the spread of secured private-property rights.[20]

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19. Armen A. Alchian and William R. Allen, *University Economics: Elements of Inquiry*, 3rd ed. (Belmont, California: Wadsworth, 1972), p. 141.

20. *Idem*.

There is no question that a society that honors the terms of the commandment against theft will eventually enjoy greater per capita wealth. Such a society rewards honest people with greater possessions. This is as it should be. A widespread hostility to theft, especially from the point of view of self-government (self-restraint), allows men to make more accurate decisions concerning what they want to buy, and therefore what they ought to produce in order to offer something in exchange for the items they want. Again, quoting Allen and Alchian: "The more expensive is protection against theft, the more common is thievery. Suppose that thievery of coats were relatively easy. People would be willing to pay only a lower price for coats. The lower market price of coats will understate the value of coats, for it will not include the value to the thief. If the thief were induced to rent or purchase a used coat, the price of coats would more correctly represent their value to society. It follows that the cheaper the policing costs, the greater the efficiency with which values of various uses or resources are revealed. The more likely something is to be stolen, the less of it that will be produced."[21] When communities set up "neighborhood watches" to keep an eye on each other's homes, and to call the police when something suspicious is going on, the value of property in the community is increased, or at least the value of the property on the streets where the neighbors are helping each other. By lowering the benefits to criminals, property owners increase the value of their goods.

1. A Critic Responds

When I referred to the passage by Allen and Alchian in my essay in *Wealth and Poverty* (1984), a collection of four Christian views (the book's cover says)[22] on economics, one of the three anti-market respondents was horrified. In the name of Jesus, he attacked the idea of the biblical sanction for privately owned property, as well as my defense of the economics of crime prevention, with the following line of argumentation: "The less thievery there is, the more the value of private property increases and the less able the poor are to buy it. In capitalism, the more 'moral' a people are, the more the poor are oppressed."[23] He was not joking. He expected readers to take him seriously.

21. *Ibid*., p. 239.

22. There were four views expressed by Christians.

23. Art Gish, "A Decentralist Response," in Robert Clouse (ed.), *Wealth and Poverty: Four Christian Views on Economics* (Downers Grove, Illinois: Inter Varsity Press, 1984), p. 75.

The culprit is capitalism, in Mr. Gish's view. Capitalism hurts the poor, he insisted, even when the crime rate goes down. Less thievery means that the poor are exploited under capitalism. First, they are exploited by thieves under capitalism; then they are exploited by capitalists when the thieves go away. Heads, the poor lose; tails, they also lose. If there are any benefits accrued as a result of any reduction in theft, they accrue for the capitalist rich. If this argument is the best that Christian communalists and egalitarians can come up with in their ideological struggle against private ownership, then the intellectual battle is just about over.[24] I cannot resist citing Oscar Wilde's definition of a cynic: "a man who knows the price of everything and the value of nothing." This was Mr. Gish's problem.[25]

What Mr. Gish did not understand is that thieves reduce the value of everyone's property, both rich and poor, but especially those poor people who live in neighborhoods where crime is rampant. Mr. Gish's comment revealed that he failed to understand the economic reasoning behind Allen and Alchian's conclusion. It is not that prices necessarily go up when crime is reduced (although they may), thereby excluding the poor; it is that the *value* of goods goes up, including the value of property owned by the poor. The poor get richer, not poorer. Mr. Gish confused increases in the value of property with increases in the cost of living. He was so consumed by his hatred of capitalism that he could not understand a simple economic argument. If the poor now enjoy property that is worth more, why are they oppressed under capitalism? They aren't, unless they are eaten up by envy, and hate to see the rich also get richer—hate it with such intensity that

24. This turned out to be the case within five years of the publication of this book in 1986. In 1991, the Soviet Union collapsed, and socialism fell into disrepute overnight among Western intellectuals. Socialism became passé.

25. I single out Mr. Gish, not because he was a serious economist or a serious social philosopher, but because his article and his criticisms of my position were printed in a book published by a company whose targeted market has always been college- educated American Protestant Christians. Within a year of its publication, senior officials with the company decided to suppress the book. The company pulled it off the market, despite good sales, and sold every copy to me for 25 cents each. I like to think that it was my theoretically uncompromising and rhetorically challenging remarks on the anti-market positions of the other three authors that were the cause of this suppression. In the mid-1980s, in Ronald Reagan's second term, when Protestant evangelicals had voted overwhelmingly for Reagan and against the idea of socialism and high marginal tax rates, anti-market opinions were still *de rigueur* in Protestant evangelical intellectual circles. After the fall of the Soviet Union in 1991, the climate of opinion grudgingly turned around among secular humanists. Therefore, by 1995, it began to turn around in Protestant evangelical intellectual circles. There is an echo effect in Protestant evangelical intellectual circles, who take their cues from humanist intellectual circles.

they would give up their own increases in order to tear down the rich. Envy is one of the primary motivations of socialists, as sociologist Helmut Schoeck argued in the mid-1960s.[26]

The decrease in the value of property as a result of theft would also occur in a socialist economy. Official prices might not change—who knows what a socialist planning board might do to prices in response to crime?—but the value of goods would drop. This has nothing to do with the structure of a particular economy; it has everything to do with the effects of crime on people's assessment of the costs of holding goods. If criminals are raising the costs of holding goods, then the value of the goods falls. In other words, *costs of ownership rise*, so the *value of the items owned drops*. If I own an item that was worth five ounces of gold before the crime wave hit, but it now costs me three ounces of gold a year to store it or otherwise protect it, the net value of that item to me will drop in my calculations. I may be willing to sell it today for two ounces of gold, or even less. Its *price* has dropped only because its *value* to me and to potential buyers *dropped first*. This is so incredibly simple that only a professional capitalism-hater could miss it. Mr. Gish missed it.

If the crime wave stops, and it costs me only an ounce of silver to store it or otherwise defend it—the same storage fee that I paid before the crime wave hit—its value to me will rise. Now I may not be willing to sell it for under five ounces of gold. Others may offer me five ounces because they, too, see its increased net value to them. The crime wave is over. The price rises because the costs of ownership have fallen. Prices "return to normal," meaning closer to those that prevailed before the crime wave, because value has "returned to normal."

The wealth of the poor increases when crimes against property are reduced. The market value of the items poor people own also goes up. It may even go up more, since the poor may have been the targets of the criminals even more than the rich were. Burglars tend to live and work in neighborhoods where poor people live, not where rich people live. In any case, the cost of defending their goods, proportional to the market value of those goods, was probably far higher for the poor during the crime wave than the protection costs for the rich were, proportional to the value of their goods. The poor probably will experience a more rapid percentage increase in net worth when

26. Helmut Schoeck, *Envy: A Theory of Social Behavior*, trans. Michael Glenny and Betty Ross (New York: Harcourt, Brace & World, [1966] 1970), pp. 149ff, 197, 373.

theft goes down. The poor suffered more when the crime wave hit, so they gain more when it is reduced. This is so incredibly simple that only a professional capitalism-hater could miss it. Mr. Gish missed it.

The increased value of private property in a society that prosecutes theft would also take place in response to preaching against theft, if hearers take seriously the sermons. Mr. Gish continually moralized against theft (theft by ruling elites) in the passage immediately preceding his outraged protest against capitalism. He blamed capitalism for raising the cost of living to poor people whenever theft is reduced. Implicitly, he was arguing that under socialism (or local communal ownership) reducing theft will not lead to higher prices.

2. Value and Price

Let us consider the effects of a wave of theft on market prices. If we understand what is going on in this scenario, we probably have a firm grasp of economic theory. It can serve as a good example. Under capitalism, any *additional* self-government and self-restraint against theft will tend *initially* to raise the market price of goods above that which prevailed prior to the wave of thefts. So will any cost-effective increases in the civil government's war against thieves. Let us look at the sequence of events.

First, the wave of thefts begins. Assume that it is national in scope and horrendous. People are afraid to leave their homes. They reduce the number of shopping trips. They put more money in the bank, since banks are perceived to be safer against bank robbers than homes are against burglars. In other words, they decide to buy fewer stealable goods. Demand for consumer goods therefore drops.

On the other hand, the supply of available goods *initially* rises. Stolen goods that would not have been offered for sale by their owners at the older, higher prices, begin to enter the resale markets. These goods carry price discounts. Honest producers of goods must compete by lowering their prices. Production of new goods drops. New goods producers begin to go into bankruptcy and start selling goods at huge discounts. Then, after they sell off inventories, some of them stop producing.

In short, prices drop because the value of goods has dropped. Why has the value of goods dropped? Because the *costs of ownership have risen*. If you raise costs, you should expect reduced demand. This is what we do see. The demand for consumer goods drops. This is especially true for poor people, who are more vulnerable to theft and

violence in their communities. The value of their presently owned goods is drastically reduced because the costs of ownership for them have been drastically increased.

As I have already pointed out, Mr. Gish was not used to this sort of economic reasoning, so he resorted to his knee-jerk policy of criticizing capitalism for the evils of both increased crime and decreased crime. In good times and bad times, capitalism is evil. He was not alone in his hostility to capitalism in 1984. It was the characteristic feature of literati everywhere until the fall of the Soviet Union in 1991.[27]

Second, falling prices are not the end of the story. Prices subsequently start to rise, because buyers can no longer locate sellers of new goods. Too many sellers have gone out of business. The burglars hit them, too. The costs of production rose for them, since producers are owners, too. Furthermore, thieves find that owners have bought burglar alarms, locks, and guard dogs. The costs of being a burglar also rise, so there is less burglary. The availability of stolen goods drops. The initial discounts disappear. Stolen goods start to command higher prices. Fewer goods are bought and sold, but for those necessities that do remain on the shelves, their prices will be higher. *Buyers' money* will be chasing a smaller number of goods, so prices of these goods tend to rise. If the crime wave persists, prices of goods actually brought to market rise higher than they had been before, since fewer goods are available. Most people continue to be worse off as a result of the crime wave.

We need to ask ourselves: How are poor people benefited if prices are pushed *initially* lower by criminal behavior (reduced demand coupled with lower prices for stolen goods)? How are they benefited when the uncertainties associated with theft must be dealt with? What benefit is the high rate of theft in, say, New York City's black ghetto, Harlem? I have visited apartments in Harlem, with their expensive doors and intricate locks. Burglary is profitable for sellers of anti-burglary devices, but not for any other law-abiding citizen.

Prices of other consumer goods are initially lowered because of money that must be spent on locks, burglar alarms, and insurance. But they do not remain low. Buyers need to lure sellers into high-risk markets where theft is common. People in Harlem wind up having to pay far higher prices than in other areas of New York City because costs of doing business are high (you might get killed), and it

27. Ludwig von Mises, *The Anti-Capitalist Mentality* (Princeton, New Jersey: Van Nostrand, 1956).

is expensive to lure sellers into the area. Customer choices are drastically limited; there are no supermarkets in Harlem; only small "mom and pop" stores that issue credit and know their customers. Harlem's problem is not capitalism; its problem is that too many criminals and people with short-run perspectives live (and prey) there.[28]

What if the crime wave ends? We now come to *phase three*. There will still be an increase in prices, as buyers seek to lure back potential sellers. *Initially*, prices will rise, but they will not rise as high as they would have risen had the crime wave not come to an end. It is this phase of the economic process that Mr. Gish singled out and criticized: the recovery phase. He blamed capitalism for high prices. But he ignored phase four.

Fourth, if the criminals are kept out of the crime business, the high prices being offered by buyers will lure manufacturers back into the markets. Manufacturers are given accurate signals about true customer demand. As they target specific markets and their output increases, prices will again fall back closer to where they had been prior to the crime wave. Never forget: *Producers need accurate signals concerning true customer demand*. This is what the free market gives them. Prices enable producers to assess more accurately the value in the marketplace of all scarce resources. They can then make better decisions about production.

This is what the critics of capitalism simply will not admit, namely, that producers respond to higher consumer prices by producing more goods and services to meet the new demand, unless the costs of production rise as fast or faster. If it becomes safer to own goods, and people want to buy additional goods, then prices may rise initially. But this is not the end of the story, except in books written by socialists and free market critics. The question is: What happens next? What happens next in a free market society is greater output of the newly demanded goods. This new production tends to lower consumer prices.

3. Socialism's War Against Price Signals

We might ask Mr. Gish: What would be the result of similar self-restraint or civil government restraint against theft in a socialist society that had previously been hit with a crime wave? If govern-

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28. On short-run perspectives in black ghettos and the grim effects, see Edward Banfield, *The Unheavenly City: The Nature and Future of Our Urban Crisis* (Boston: Little, Brown, 1970), pp. 53–54, 124–28.

ment bureaucrats set most prices, and they keep prices fixed during both the crime wave and the recovery phase, which is likely, then the ethics-induced *increased value* of consumer goods will not send a *price signal* to producers to produce more goods. Producers will therefore not respond rapidly to the new conditions of higher value for goods, because the bureaucrats hold down official (legal) prices.

True, citizens who no longer are victimized by thieves are benefited. Thus, there is a net social benefit in socialist societies, as in all societies, from a reduction in theft. But far from this crime reduction's leading to an indirect benefit for the poor, it leads nowhere in particular in the official, state-controlled markets. The market value of goods rises in the black market, where prices more closely match true value to buyers and sellers, but not in the state-controlled markets. Only to the extent that poor people have greater skills in entering the black market will poor people be favored by the indirect economic effects of a reduction in theft.

In all likelihood, the poorest members of society will not be well-informed black marketeers. Thus, the reduction of theft by private individuals in a socialist economy tends to augment the flow of consumer goods flowing into an illegal market that is dominated by people with specialized skills in illegal bargaining. The primary beneficiaries are those people who trade in the illegal markets. This is the curse of all socialist economies. Those people who become dependent on the state to deliver the goods become the victims of bureaucratic incompetence, and those who ignore the official markets and who enter black markets become the winners. It is a good lesson in economics. (I am sure my critic's answer would be that socialist governments ought to pass more laws against black markets.)[29]

4. Conclusion

As buyers, we want sellers to respond to our offers to buy goods and services. Yet as producers, we want to know what buyers are willing and able to pay for our goods and services. The better everyone's knowledge of the markets he deals in, the fewer the resources necessary for advertising, negotiating, and guessing about the future. These "released" resources can then be devoted to producing goods

29. The economic ignorance that underlies the arguments of my critic is monumental. Yet such ignorance was representative of the published books and essays of "socially concerned," Christian college-educated, seminary-trained social thinkers in the American and British evangelical community in the 1980s.

and services to satisfy wants that would otherwise have gone unsatisfied. The lower our transaction costs, the more wealth we can devote to the purchase and sale of the items involved in the transactions.

One transaction cost is the defense of property against theft or fraud. God therefore steps in and offers us a "free good": an inescapable system of punishment. To the extent that criminals and potential criminals believe that God really does punish criminal behavior, both on earth and in heaven, their costs of operation go up. When the price of any scarce item rises, other things being equal, less of it will be demanded. What if we can raise the "price" of crime? Less criminal behavior will be the result of a widespread belief in God's judgments, both temporal and final. *God raises the risks to thieves*. When the commandment against theft is preached, and when both the preachers and the hearers believe in the God who has announced His warning against theft, then we can expect less crime and greater per capita wealth in that society. God's criminal justice system is coherent, and it is also inescapable, so it truly is a free good—a gift from God that is a sign of His grace. *This is one aspect of the grace of law*.[30] It leads to increased wealth for those who respect His laws.

E. Theft at the Ballot Box

We have dealt so far primarily with the question of criminal behavior by private individuals or organized criminal societies. But the economic analysis that applies to theft by private individuals also applies to theft by the civil government. The commandment against theft does not read: "Thou shalt not steal, except by majority vote." We need to have private property rights respected, not just by criminals, but also by individual citizens who find that they can extract wealth from others by means of state power. Furthermore, private property rights must be respected by profit-seeking businesses that would otherwise petition the state for economic assistance: tariffs, import quotas, below-market interest rate government loans, and so forth. To violate this principle is to call for the so-called "corporate state," another form of the welfare state—fascism, monopoly capitalism, or whatever.[31] Whenever such a

30. Ernest F. Kevan, *The Grace of Law: A Study in Puritan Theology* (Grand Rapids, Michigan: Baker Book House, [1976] 1983).

31. An example of just such a proposal for the corporate state was a favorably reviewed book by Robert B. Reich, *The Next American Frontier* (New York: Times Books, 1983). The author recognized the evils of the hidden subsidies (Chapter 9), but his solution was for more direct collusion between industry and state. Reich became President Clinton's Secretary of Labor during his first term, 1993–97. A similar book was

system has been constructed, it has led to reduced productivity and an increase in bureaucracy. The politicians are simply not competent enough to plan for an entire economy.[32] To promote such a system of state planning and protection of industry is an illegitimate use of the ballot box, meaning democratic pressure politics.

Let us consider an example that has been debated from the Puritan revolution of the 1640s until today: the property qualification for voting. At the Putney Debates of Cromwell's New Model Army in 1647, Ireton, Cromwell's son-in-law, debated Rainsborough, the representative of the democratic faction, the Levellers. The Levellers were not communists, but they were committed to a far wider franchise. (The communists in the English Revolution were the Diggers, who called themselves the "True Levellers.")[33]

Rainsborough argued that because all men are under the laws of a nation, they deserve a voice in the affairs of civil government. Ireton countered with a ringing defense of property rights. A man must have some stake in society, he said, meaning property to defend, if he is to be entrusted with the right to vote. Men without permanent interests in the society—property, in other words—are too dangerous when handed the power of civil government. The property qualification is crucial to preserve society in a democratic order. "And if we shall go to take away this, we shall plainly go to take away all property and interest that any man hath either in land by inheritance, or in estate by possession, or in anything else. . . ."[34]

Two centuries later, Karl Marx concluded much the same, except

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Felix G. Rohatyn, T*he Twenty-Year Century: Essays on Economics and Public Finance* (New York: Random House, 1983). For examples of the close alliance between monopoly capitalists and the Communists, see Antony Sutton, *Wall Street and the Bolshevik Revolution* (New Rochelle, New York: Arlington House, 1974); Joseph Finder, *Red Carpet* (New York: Holt, Rinehart, Winston, 1983); Charles Levinson, *Vodka Cola* (London: Gordon & Cremenosi, 1978). On the relationship between monopoly capitalists and the Nazi movement, see Antony Sutton, *Wall Street and the Rise of Hitler (*Seal Beach, California: 76 Press, 1976); Charles Higham, *Trading With the Enemy: An Exposé of the Nazi-American Money Plot*, *1933–1949* (New York: Delacorte Press, 1983). There is little evidence that German big business financed Hitler: Henry Ashby Turner, Jr., *German Big Business and the Rise of Hitler* (New York: Oxford University Press, 1985).

32. *The Politics of Planning: A Review and Critique of Centralized Planning* (San Francisco: Institute for Contemporary Studies, 1976). See also Don Lavoie, *National Economic Planning: What Is Left?* (Cambridge, Massachusetts: Ballinger, 1985), a detailed criticism of the idea of central planning.

33. Christopher Hill, *The World Turned Upside Down: Radical Ideas During the English Revolution* (New York: Viking, 1972), ch. 7.

34. A. S. P. Woodhouse (ed.), *Puritanism and Liberty, Being the Army Debates* (1647–9) (London: Dent, 1938), p. 53.

that he favored the abolition of the property qualification for voting, precisely *because* it would destroy private property: "... the state as a state abolishes *private property* (i.e., man decrees by *political* means the *abolition* of private property) when it abolishes the property qualification for electors and representatives.... Is not private property ideally abolished when the non-owner comes to legislate for the owner of property? The *property qualification* is the last political form in which property is recognized."[35] His contemporary, the Whig historian and politician Lord Macaulay, offered a similar assessment.[36]

Yet there is a major theoretical problem that Christian defenders of the property qualification for voting have chosen to overlook or downplay: defining citizenship apart from a Trinitarian confession of faith. Instead, they have generally defined citizenship in terms of a stake in society, and then have defined this stake as possessing some minimal value of property. In opposition to this argument, Rainsborough in 1647 argued that residence in a nation should establish a right of citizenship. The laws apply to all residents. Why should they not be able to have a say in who writes the laws and enforces them? More than a century later, a slogan of America's revolutionaries was "No taxation without representation." Sales taxes were extracted from every resident, yet the colonists had no votes in Parliament. This argument left confession of faith out of the debate. It made citizenship a function of economics. Yet the Bible places covenants above economics, for covenants are oath-bound under God.

Protestant churches have adopted Rainsborough's definition of voting membership. He argued that the ownership of property should not be made a criterion for exercising the vote. Protestant churches argue that every confessing adult member should have the right to vote for church officers in the local congregation. Some churches even allow children to vote, because children are communicant members. This policy transfers judicial authority to those church members who do not tithe to the local congregation. Most church members do not tithe. But Hebrews 7 teaches that tithing to a local congregation is a judicial obligation, for the church collects the obligatory tithe in the name of the high priest, Jesus Christ.[37] Those church members who

35. Karl Marx, "On the Jewish Question" (1843), in T. B. Bottomore (ed.), *Karl Marx: Early Writings* (New York: McGraw-Hill, 1964), pp. 11–12.

36. G. Otto Trevelyan (ed.), *The Life and Letters of Lord Macaulay* (New York: Harper & Brothers, 1875), II, pp. 408–10. See Appendix G: "Macaulay on Democracy."

37. Gary North, *The Covenantal Tithe* (Powder Springs, Georgia: American Vision, 2011), ch. 10.

fail to meet the requirement to tithe possess the votes to determine what is done with the money that those who did meet their obligations pay for. The churches do not distinguish between communicant members and voting members. This was Rainsborough's theory of the civil franchise.

The biblical solution ecclesiastically is to limit voting membership to adult members of families that tithe. No church does this. No democratic civil government does, either. The church has become the model for the state's franchise system. The result is churches that build large buildings enjoyed by members who do not pay their share of the costs, rather than churches that help poor non-members. Church members are then content to see the civil government assume the task of helping the poor, thereby passing this ancient church obligation onto non-church members. So, the welfare state has replaced the welfare church in Christian and formerly Christian societies.

No respectable political philosopher in the Protestant West today raises this issue: theological confession as the basis of citizenship. If civil government is a covenant established under God, then why should Christians ignore baptism and confession of faith as the dual foundation of citizenship? Modern theories of democracy and political pluralism deny the legitimacy of such a judicial foundation of citizenship, substituting other civil oaths and confessions for theological confession. But there is nothing in the Bible to support political pluralism and much that denies it.[38]

By insisting on the possession of property as a defining characteristic of citizenship, the Cromwellians undermined the holy commonwealth ideal, which they had fought a revolution to establish. In 1660, Charles II ascended to the throne and relegated the Puritans to second-class citizenship because of their failure to affirm allegiance to the Church of England, over which the king formally ruled. By 1700, theological unitarians and even pantheists—religious dissenters—who traced their political roots back to the Puritan revolution against Charles I, helped to establish Whig political theory, which became Anglo-American Enlightenment political humanism.[39] By 1750, the contractualism of Hobbes (1651) and Locke (1690) had replaced the older covenantalism in debates over political theory. The ideal of

38. Gary North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989).

39. Caroline Robbins, *The Eighteenth-Century Commonwealthman* (Cambridge, Massachusetts: Harvard University Press, 1959). This has been reprinted by Liberty Press, Indianapolis.

Christendom no longer commanded respect by the West's intellectuals and opinion-shapers. Then came Rousseau's version of the social contract in 1762: a theory of the sovereign General Will, represented solely by the nation-state, in which the intermediary institutions of Christendom lost all political legitimacy.[40] The right wing of the Enlightenment (Scottish) and the left wing (French) were united in their opposition to the ideal of Christendom.

Today, there is no well-developed political theory from an explicitly Trinitarian and self-consciously biblical point of view that deals with citizenship in terms of these categories: theological confession, church membership, taxation, and oaths of allegiance. Yet it has been two millennia since Jesus was born. Much work remains to be done.

F. Protection

All property is God's. He has established rules for the exchange, transmission, and development of this property. Theft is explicitly prohibited. God's law provides us with the case laws that enable us to define theft biblically. For example, it is *not* theft if a neighbor picks an apple from someone else's tree and eats it (Deut. 23:24–25).[41] Furthermore, it *is* theft if the owner of an agricultural property does not leave fallen fruit on the ground for gleaners (Deut. 24:19).[42] The Bible is our standard of what constitutes theft, not Adam Smith or Karl Marx.

The civil government is required by God to serve as the protector of property. It must honor the laws of ownership that are set forth in the Bible. It should not prosecute a man who takes grain from his neighbor's field. Christ and the disciples were not guilty of theft when they did so (Matt. 12:1).[43] The civil government can legitimately compel a farm owner to respect the gleaning laws. In a biblical society, the threatened negative civil sanction would be the revocation of citizenship, based on a prior revocation of church membership for his defying the gleaning law. But the civil government cannot legitimately say which persons have to be allowed into the field to glean. The owner of the property has that responsibility, just as Boaz did (Ruth 2:3–12).

40. Robert A. Nisbet, *Tradition and Revolt: Historical and Sociological Essays* (New York: Random House, 1968), ch. 1.

41. North, *Inheritance and Dominion*, ch. 59.

42. *Ibid.*, ch. 62.

43. North, *Priorities and Dominion*, ch. 26.

This view of theft and protection is not in conformity to either modern socialism or modern libertarianism. In the first system (socialism), the state collects the tithe for itself, and many times God's tithe, to be used for purposes specified by bureaucratic and political bodies. In the second system (libertarianism), all coercion against private property is defined as theft, including taxation itself (in some libertarian systems).[44] Nevertheless, the Bible's standards are the valid ones, and the Bible is clear: *there is no absolute sovereignty in any person or institution*. Unquestionably, there are limits on the use of private property. But these limits are minimal. Given the biblical standards of theft, the civil government becomes a legitimate sovereign in the area of theft prevention and punishment—not the only institution, but one of them, and the one that has the lawful authority to impose economic sanctions against thieves.

Nobel-Prize winning economist R. H. Coase stated emphatically: "A private-enterprise system cannot function properly unless property rights are created in resources, and, when this is done, someone wishing to use a resource has to pay the owner to obtain it."[45] The defense of private ownership by the civil government against theft is, in and of itself, a foundation of capitalism. By *defining* the limits of ownership, and by *defending* property from coercive attack from violent men and fraudulent practices, a godly civil government establishes the basis of economic growth and prosperity.

One of the most important features of a private property social order is *the reduction of uncertainty*. The market rewards forecasters (entrepreneurs) for their successful attempts to meet future customer demand at competitive prices. Here is the basis of the power of the customers over the suppliers: the lure of profit. The profit-and-loss system is also the process through which less efficient (more wasteful) forecasters are steadily eliminated from the market, thereby increasing the stability of the market. Customers can rely more readily on the free market for the future delivery of goods and services than

44. Perhaps the most systematic of the libertarian criticisms of all forms of taxation is Murray N. Rothbard's book, *Power and Market: Government and the Economy* (Menlo Park, California: Institute for Humane Studies, 1970). It was reprinted as the final section of *Man, Economy, and State* (1962) by the Ludwig von Mises Institute, Auburn, Alabama, in 2004. This section of the book was originally intended by Rothbard to be in *Man, Economy, and State*. The Volker Fund, which had funded the book, decided to drop that anti-state section.

45. R. H. Coase, "The Federal Communications Commission," *Journal of Law and Economics* (1959); reprinted in Eirik G. Furubotn and Svetozar Pejovich (eds.), *The Economics of Property Rights* (Cambridge, Massachusetts: Ballinger, 1974), p. 82.

they could dare to rely on a bureaucratic delivery system, with its guaranteed jobs for suppliers, its past-oriented rules, and its lack of risk-bearing. Uncertainty is reduced in society by the free, competitive market precisely because the market places such high rewards for *overcoming uncertainty*, namely, profits. The market's *flexibility* provides customers with future *stability*, since the mistakes of producers tend to cancel out, and the more successful producers strengthen their position in the market.

G. Defining Property Rights

If the free market order rests on property rights, then what exactly are they? As with all definitions, the human mind, not to mention language, is imperfect. An absolutely rigorous definition is probably impossible. Harold Demsetz made an attempt. He involved ethics.

> Crucially involved is the notion that individuals have control over the use to which scarce resources (including ideas) can be put, and that this right of control is saleable or transferable. A private property right system requires the prior consent of "owners" before their property can be affected by others. The role of the body politic in this system is twofold. Firstly, the government or courts must help decide which individuals possess what property rights and, therefore, who has the power to claim that his rights are affected by others. Secondly, property rights so assigned must be protected by the police power of the state or the owners must be allowed to protect property rights themselves. Presumably the best mix of public and private protection will depend on ethical and other considerations.[46]

Unfortunately, the economics profession, in its self-professed moral neutrality, has not been able to come up with these ethical and other criteria, nor have economists shown exactly how economics would relate to such criteria.

Property, from this perspective, is basically a "bundle of rights." Again, citing Demsetz: "When a transaction is concluded in the marketplace, two bundles of property rights are exchanged. A bundle of rights often attaches to a physical commodity or service, but it is the value of the rights that determines the value of what is exchanged."[47] The control over such rights necessarily involves *the right to exclude others* from the value of the rights over time. It is here that the civil

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46. Harold Demsetz, "Some Aspects of Property Rights," *Journal of Law and Economics*, IX (1966), p. 62.

47. Demsetz, "Toward a Theory of Property Rights," *American Economic Review* (1967); reprinted in *Economics of Property Rights*, p. 31.

government must take special care. Rights are not absolute, but they should be *sufficiently familiar* to acting men that these men can make *valid predictions* concerning the future—the future actions of competitors, as well as of the civil government. *The reduction of uncertainty is of paramount importance*. As Cheung wrote: "The transfer of property rights among individual owners through contracting in the marketplace requires that the rights be exclusive. An exclusive property right grants its owner a limited authority to make a decision on resource use so as to derive income therefrom. To define this limit requires measurement and enforcement. Any property is multidimensional and exclusivity is frequently a matter of degree. But without some enforced or policed exclusivity to a right of action, the right to contract so as to exchange is absent."[48] The civil government must protect property because it must protect property owners.

H. The Market for Knowledge and Uncertainty

The establishment of property rights is therefore fundamental in any system of voluntary exchange. Men rely on the division of labor to increase their economic output and therefore their income. Of critical importance is *the exchange of information*, including *the voluntary exchange of uncertainty*. Those who want to buy more uncertainty, and therefore open up to themselves the opportunity for greater profit, are enabled to do so by purchasing higher-risk property from those who are willing to settle for a more guaranteed return.[49] Some people want bonds, others want stocks, while still others want to speculate in commodities. Farmers may prefer to lock in a price for their future crops, so as to concentrate their knowledge on raising more crops. Speculators who think they understand agricultural markets, even if they know very little about the actual mechanics (or organics) of farming, can contract with uncertainty-avoiding farmers to guarantee them a specified future price for their crop. Those who want uncertainty can buy it; those who want to avoid it can sell it. This helps

48. S. Cheung, "The Structure of a Contract and the Theory of a Non-Exclusive Resource," *Journal of Law and Economics* (1970); reprinted in *ibid*., p. 27.

49. I employ Frank Knight's distinction between risk and uncertainty. Risk is a statistically calculable class of future events, such as the deaths within a particular age group. Mortality tables used by life insurance firms are examples of statistical calculations of risk. In contrast, uncertainty is not subject to mathematical analysis in advance. Correctly forecasting uncertain future events—or at least events not deemed as uncertain by one's competitors—is the source of all profits, Knight cogently argued. Frank H. Knight, *Risk, Uncertainty and Profit* (Boston: Houghton Mifflin, 1921).

reduce the mistakes—forecasting mistakes—in those societies that allow voluntary transactions in the marketplace. But a society that does not take care to *specify and enforce property rights* cannot derive the full benefits of the market in *reducing uncertainty*. Costs of ownership remain needlessly high. Co-operation is reduced.

Man is not God. Man's knowledge is not God's exhaustive knowledge. Man must seek wisdom and knowledge as one of his tasks on earth (Prov. 1:1–7). He needs *the division of labor in knowledge* more than he needs the division of labor in any other field, since wisdom is the thing above all which we are told to pursue. *The free market, more than any institutional arrangement in the history of man, facilitates the division of labor in knowledge*.[50] Men are forced to recognize that knowledge is never free of charge, and that other men put a high price on certain kinds of knowledge. This, predictably, tends to encourage increased production of the high-valued knowledge.

The free market increases men's knowledge, but there must be *open competition for knowledge*, and there must be *legal transferability* of that knowledge. Competition assembles knowledge from many potential suppliers. The knowledge here is men's knowledge of all the *potential uses* for a scarce resource, and all the *contractual arrangements* possible for implementing this knowledge. Cheung wrote that the "transferability of property rights ensures that the most valuable knowledge will be utilized."[51] When a society allows buyers of knowledge to bid against each other, and it also facilitates the sellers' ability to transfer their resources, it thereby reduces the cost of enforcing the stipulated terms of contracts. How? Because competing parties stand by to offer or accept similar terms of exchange. If one participant tries to cheat, others will step in and make legitimate offers. Thus, concluded Cheung, "competition *in the marketplace* reduces the costs of finding and pursuing the most valuable option in which a resource may be contacted for production."[52] This, of course, reduces waste. People can buy what they want with fewer resources, since resources tend to be allocated to those uses most highly demanded by customers or their economic agents: entrepreneurs. Producers think they know what lots of people will want to buy, and those customers who want to buy finished products gain their influence over suppliers because

50. F. A. Hayek, *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948), ch. 4.

51. Cheung, in *Economics of Property Rights*, p. 29.

52. *Idem*.

the transactions are voluntary, and suppliers are seeking to make a profit. To the extent that the state restricts the profitability of voluntary exchange, buyers lose influence over suppliers, for the whole incentive structure is compromised. The state restricts the buyers' use of "economic carrots."

The words "mine" and "yours" are two of the most important words in any society. Biblical preaching has, over centuries, enabled men to appreciate the importance of these two words. When the differences between the two are honored in law, word, and deed, society benefits. Men can better co-operate with each other in peaceful transactions precisely because of the *predictability* provided by a social order which recognizes "mine" and "yours." This facilitates the division of labor.

Demsetz saw the importance of property rights from the perspective of *social co-operation*. "In the world of Robinson Crusoe property rights play no role. Property rights are an instrument of society and derive their significance from the fact that they help a man form those expectations which he can reasonably hold in his dealings with others. These expectations find expression in the laws, customs, and mores of a society. An owner of property rights possesses the consent of fellow men to allow him to act in particular ways."[53] Men can make contracts with each other, and enjoy the fruits of their decisions concerning the stewardship of God's resources. To return to a now-familiar theme, *property rights reduce the zones of uncertainty in life*. Men see through a glass darkly. Anything that throws light on the subject is a benefit.

I. Ownership as a Social Function

What is not understood by many is that private ownership necessarily involves social responsibilities. There can be no escape from the responsibilities of ownership. *God always links power and responsibility*.

Consider a scarce resource. Being scarce, it commands a price. (A non-scarce resource is any resource for which demand does not exceed supply at zero price.) Therefore, the person who owns it possesses wealth. What will he do with this wealth? Will he use the asset (money, for example) to invest? This makes the wealth available for a period of time to someone else. Will he spend the money on a consumer good? Then he pays for it and thereby forfeits the income that he might have received had he invested the money. Will he give it

53. *Ibid*., p. 31.

away? Then he forfeits the use of the investment income or the psychic income that the consumer good would have produced.

Who establishes the price of the asset? Consumers do. A consumer is here defined as the *final buyer*. He does not purchase the good in order to make a profit by selling it to someone else. Consumers make *subjective evaluations* of what any asset is worth, and their competitive bids in the marketplace establish the *objective price* of a particular asset.

Producers compete against producers to sell to customers, who in turn compete against each other. Producers cannot sell assets at prices higher than customers are willing and able to pay. Thus, customers determine what is going to be produced. Entrepreneurs act as their economic agents, buying up producer goods, raw materials, labor, and other forms of capital, and using them over time to meet expected customer demand. If they are successful in their guesses, they will reap profits. If they are incorrect, they will reap losses. But there is no escape from what free market economists call *consumers' sovereignty,*[54] at least not apart from the intervention of the civil government with some sort of coercive protection scheme. This sovereignty is delegated by God to property owners. *Delegated sovereignty is the same as authority*. It is the legitimate authority to make use of some asset.

This means that every person who owns an asset that commands a price must act as the agent of customers (including himself), or pay the price of failing to serve their needs. If customers want to see assets used in a particular way, and an asset owner refuses to sell, then he pays a price. He cannot ignore customer demand at zero price to himself. Customers or their economic agents (entrepreneurial middlemen) make bids for ownership, as revealed by a market price for the asset. Those owners who refuse to take the offered price thereby forfeit all the uses to which they might otherwise have put the money. There is no escape from this required payment. The owner who says, "I'll use it my way," is saying, "I'll pay for my decision." He turns his back on the money or goods offered by customers for his property.

Thus, ownership is a social function. Owners inescapably act as *stewards on behalf of the consuming public*, or else pay the price. There is no such thing as a free (gratuitous) lunch. There is also no such thing as cost-free ownership of scarce economic resources. The existence

54. The phrase "consumers' sovereignty" was coined by William H. Hutt as early as 1934: *Individual Freedom: Selected Works of William H. Hutt*, Svetozar Pejovich and David Klingaman, eds. (Westport, Connecticut: Greenwood Press, 1975), p. 185, and footnote 1 on p. 203.

of free markets—institutional arrangements for *open, competitive bidding*—enables customers to price all economic assets according to their subjective evaluations. Free markets produce objective bids (prices). These bids produce either profits or losses for entrepreneurs. The entrepreneurs are not in charge of the bidding process. Customers are, for they possess money: the most marketable asset. They own what specialized producers desire: money. Producers worry about having large inventories. Few customers worry about possessing too large an inventory of money. Free markets aid customers in establishing their will over producers. Producers are legally free agents, but they are not cost-free agents.

There are two ways to impose your will on another person: reward and penalty, the carrot and the stick. The stick relies on coercion. The coercion of legal adults is a covenantal monopoly of the civil government. Thus, customers must rely on the carrot approach. "Do it my way," they assert, "or suffer the consequences." What are the consequences? Forfeited income.

The market is not some autonomous institution that thwarts the "little guy." It is an institution that promotes the interests of every asset-owning participant. It provides customers with the ultimate institutional carrot: a legal order that allows them to make competitive bids to the owners of the resources they want to buy. The market is a *social institution* that places daily inescapable burdens of ownership on every resource owner.[55] As Mises wrote: "Ownership of the means of production is not a privilege, but a social liability. Capitalists and landowners are compelled to employ their property for the best possible satisfaction of the customers. If they are slow and inept in the performance of their duties, they are penalized by losses. If they do not learn their lesson and do not reform their conduct of affairs, they lose their wealth. No investment is safe forever. He who does not use his property in serving the customers in the most efficient way is doomed to failure. There is no room left for people who would like to enjoy their fortunes in idleness and thoughtlessness."[56] In a society in which the rights of private property are honored, men can make self-conscious, calculating decisions concerning their assets, which will influence future generations. Family capital is protected by the prohibition against

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55. Gary North, *An Introduction to Christian Economics* (Nutley, New Jersey: Craig Press, 1973), ch. 28: "Ownership: Free But Not Cheap." This was published by *The Freeman* (July 1972).

56. Ludwig von Mises, *Human Action: A Treatise on Economics* (New Haven, Connecticut: Yale University Press, 1949), p. 308.

theft. Men's consideration of time perspective can then focus on the long-term prospects for their capital, just as Abraham's vision did.

Which system of property management tends to be more concerned with the future, private ownership or communal ownership? Demsetz addressed this issue, and he concluded that private ownership tends to be far more future-oriented. By communal ownership, he meant "a right which can be exercised by all members of the community,"[57] He pointed to a phenomenon made famous by biologist Garrett Hardin, the "tragedy of the commons,"[58] although he did not use this terminology. "Suppose that land is communally owned. Every person has the right to hunt, till, or mine the land. This form of ownership fails to concentrate the cost associated with any person's exercise of his communal right on that person. If a person seeks to maximize the value of his communal rights, he will to tend to overhunt and overwork the land because some of the costs of his doing so are borne by others. The stock of game and the richness of the soil will be diminished too quickly."[59] People may agree to reduce the demands they are making, as individuals, on the land, but the *costs of negotiating* are high, and so are the *costs of policing* the agreement.

"If a single person owns the land," said Demsetz, "he will attempt to maximize its present value by taking into account alternative future time streams of benefits and costs and selecting that one which he believes will maximize the present value of his privately owned rights. We all know that this means that he will attempt to take into account the supply-and-demand conditions that he thinks will exist after his death. It is very difficult to see how the existing communal owners can reach an agreement that takes account of these costs."[60] Then Demsetz offered a stunning insight into the social function of an owner of a private property right: *the owner as a broker between generations*. "In effect, an owner of a private right to use land acts as a broker whose wealth depends on how well he takes into account the competing claims of the present and future. But with communal rights there is no broker, and the claims of the present generation will be given an uneconomi-

57. Demsetz, "Toward a Theory of Property Rights," in *Economics of Property Rights*, *op. cit.*, p. 37.

58. Garrett Hardin, "The Tragedy of the Commons," *Science* (13 Dec. 1968); reprinted in Garrett de Bell (ed.), *The Environmental Handbook* (New York: Ballentine, 1970). Hardin called for more government control over pollution and resource depletion. In contrast, C. R. Batten called for less government control and greater attention to defining private property rights: Batten, "The Tragedy of the Commons," *The Freeman* (Oct. 1970).

59. Demsetz, in *Economics of Property Rights*, p. 38.

60. *Idem*.

cally large weight in determining the intensity with which the land is worked. Future generations might desire to pay present generations enough to change the present intensity of land usage. But they have no living agent to place their claims on the market."[61]

By its very nature and time perspective, *family capital is privately owned capital*. Privately owned capital necessarily involves the defense of private property. *The stewardship of resources should be supervised by the most intensely committed social unit, the family*. It is not the only legitimate institution of ownership,[62] but it is unquestionably the most universally recognized ownership institution historically, and it is the social unit to which God originally announced the dominion covenant. By establishing a tight (though imperfect) relationship between *costs* and *benefits*, private property rights encourage men to count the costs of their actions. The counting of costs is a biblical requirement (Luke 14:28–30).[63] If a man overworks his soil, he or his heirs will pay the price. If his animals overgraze the land, he or his heirs will suffer reduced income later. He cannot pass on his costs so easily to those outside his family, which therefore encourages him to examine the effects, including long-run effects, of his present decisions. He seeks a profit—an excess of income over outgo—so he cannot safely ignore costs. He will waste fewer of God's resources because of the profit incentive, compared to the waste involved in communal ownership or state ownership systems, where each man is offered direct incentives to waste the common asset while profiting personally from the immediate use of the asset. To avoid the tragedy of the commons, society must actively reinforce the laws and institutions of private property.

There can be commitment to the goals of other social units besides the family, but no institution commands the degree of loyalty that the family has commanded historically. When devising a system of incentives, we should stick with the Bible and "go with the winner," which is the family. Family capital is *private* capital.

J. Communal Property and Nomads

Those within the Christian tradition who have been committed to socialism have pointed to the communal property of the Jerusalem

61. *Ibid*., pp. 38–39.

62. The corporation is another important institution for holding property, but corporate shares of ownership are held by heads of households primarily, or by agents of heads of households: banks, retirement funds, mutual funds, etc. Thus, these are delegated sovereignties.

63. North, *Treasure and Dominion*, ch. 35.

church as an example to be followed by all Christians. Several comments are in order. First, communal property in the Jerusalem church was strictly voluntary (Acts 5:4).[64] Second, property was shared in common (Acts 4:32), but for a reason: Christ's prediction of the coming destruction of Jerusalem (Luke 21:20–24). By selling fixed property, such as homes, Jerusalem's church members made it easier to heed Christ's warning and flee the city during the crisis. They could convert their fixed capital assets into mobile capital, thereby helping to preserve the value of their capital.[65] This prophecy concerning Jerusalem was fulfilled in 69 and 70 A.D., when the Romans surrounded the city and starved out the inhabitants.[66] The Christians fled to Pella, church legend has it, before the final siege of Jerusalem. The Jerusalem church abandoned private property temporarily, but there is no indication that communal property was regarded as morally binding. It was a temporary response to a particular set of circumstances: Christ's prophecy and Rome's tyranny. The early church in Jerusalem (and only in Jerusalem) prepared to flee by selling fixed property and pooling the funds. Members became, in effect, *temporary nomads*, for they intended to flee when the time came. As nomads, they adopted transportable property and more communal property ownership. There is no indication that this nomadic system of ownership was ever regarded as a policy for gentile congregations.

The nomad is not a builder of civilization. His geographical perspective is too short run. He comes and goes, never staying to establish roots, whether personal or agricultural. The nomadic family concerns itself primarily with *transportable assets*. Weapons and household utensils are prized, and nomadic law protects them. Both kinds of articles require raw materials, human ingenuity, and time to produce. But far less concern is placed on defining and policing property rights in land. Demsetz wrote: "Property rights in land among such people would require costs for several years during which no sizable output is obtained. Since to provide for sustenance these people must move to a new land, a property right to be of value to them must be associated with a portable object. Among these people it is common

64. Gary North, *Sacrifice and Dominion: An Economic Commentary on Acts*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 4.

65. *Ibid.*, ch. 3.

66. David Chilton, *Paradise Restored: A Biblical Theology of Dominion* (Ft. Worth, Texas: Dominion Press, 1985), ch. 10: "The Great Tribulation," and Appendix B of Chilton's book, which reprints sections from Josephus' *The Wars of the Jews*. Cf. Chilton, *The Great Tribulation* (Tyler, Texas: Dominion Press, [1987] 1997).

to find property rights to the crops, which, after harvest, are portable, but not to the land. The more advanced agriculturally based primitive societies are able to remain with particular land for longer periods, and here we generally observe property rights to the land as well as to the crops."[67]

A godly society seeks to defend the property rights of ever-multiplying kinds of goods and services. An increasing market value of more and more formerly ignored goods is made possible by rising productivity. *Civilization can be measured by an increase in the kinds of private property recognized and developed by members of a particular society*. As societies advance, they are marked by this extension of protection to new products, new technologies, and new transactions. The division of labor increases.

K. Human Rights and Property Rights

One of the most successful political slogans of economic interventionists in the twentieth century was this one: "We're in favor of human rights over property rights." One of America's most beloved Presidents, the feisty and extremely well-read Teddy Roosevelt, used a variation of this slogan in the early years of the twentieth century: "In every civilized society, property rights must be carefully safeguarded. Ordinarily and in the great majority of cases, human rights and property rights are fundamentally and in the long run, identical; but when it clearly appears that there is a real conflict between them, human rights must have the upper hand; for property belongs to man and not man to property."[68] Allen and Alchian's analysis strikes at the heart of such a contrast: "Exclusivity of control constitutes a basic component of the private-property economic system. We emphasize that property rights are *not* rights of property, they are rights *of people* to [the] use of goods. In sum, two basic elements of private property are *exclusivity* of rights and *voluntary transferability* or exchangeability of rights. It is silly to speak of a contrast or conflict between human rights and property rights. Property rights *are* human rights to the use of economic goods."[69]

We can legitimately speak of a misuse of property by an individ-

67. Demsetz, in *Economics of Property Rights*, p. 37n.

68. Theodore Roosevelt, The Man in the Arena," Speech at the Sorbonne (April 23, 1910), cited in R. J. Rushdoony, *Politics of Guilt and Pity* (Vallecito, California: Ross House, [1970] 1995), p. 179.

69. Alchian and Alien, *University Economics*, p. 142.

ual. If my factory blows smoke on your house and wears off the paint, I have invaded your sphere of responsibility. I have attacked your property. I have assaulted your sense of justice. When men come to agree, through custom or formal law, that a specific space is to be protected and honored, another man cannot legitimately invade that space for his own personal profit, except with the consent of the owner. But this is not a case of "property rights vs. human rights"; it is a case of a conflict between human rights—a dispute between people concerning the lawful use of privately owned property.

1. Pollution and Economic Competition

There are inevitably problems to be settled in human society, areas that need more research, more understanding. Even theoretically, the defender of the free market has difficulties in defining property rights or an invasion of property rights. For example, free market defenders argue that when the state taxes one quarter of the income of a particular piece of property, it has in effect confiscated one quarter of that property.[70] Consider, then, this problem (raised by Demsetz).[71] If my factory blows smoke on your property, you expect restitution, or a cessation of smoke production, since it lowers the value of your property. Pollution-control equipment can be defended in terms of this view of property rights. However, if my factory is located a thousand miles away, or across the ocean, and my improvements in methods of production drive out of business a factory in your area, which happens to employ half the town, the market value of your home may drop even more than if my factory were spewing smoke into your neighborhood. Few defenders of the free market would insist that I owe restitution to anyone who has the value of his house wiped out in this manner. Yet the value of your house may be down 25%. Have I really confiscated 25% of your house? Is the argument which is levelled at the tax collector equally applicable to my distant factory? Competition, confiscation, and cooperation are sometimes very difficult concepts to distinguish—not always, or even usually, but sometimes.

The Bible provides us with an example of "spillover effects" and what to do about them. If a man starts a fire on his property, and the fire spreads to his neighbor's property, the man who started the fire is responsible for compensating his neighbor for the latter's losses

70. Thomas Sowell, *Knowledge and Decisions* (New York: Basic Books, 1980), p. 39.

71. Harold Demsetz, "The Exchange and Enforcement of Property Rights," *Journal of Law and Economics*, VII (1964), pp. 25–26.

(Ex. 22:6).[72] Obviously, this invasion of property is *physical*, rather than merely competitive and economic in nature, and therefore the fire-starter is liable. The destruction of property in this instance is physical and immediate; the victim actually loses part of his crop. But what about noise pollution, where the man's house is not burned, but its market value drops as a result of his neighbor's noisy factory? This would seem to be covered by the case law on fire, since sound waves are physical phenomena, just as sparks are. But when the loss is exclusively economic, *without physical invasion*, the Bible is silent. There is no biblical law that would require the successful innovator to compensate those who lost money because of the introduction of new production techniques or new products. Alchian's analysis would seem to apply: "Although private property rights protect private property from physical changes chosen by other people, no immunity is implied for the exchange value of one's property."[73]

Is it fair, then, to equate the economic effects of the state's collection of taxes and the industrialist's pollution? The answer depends on the level of taxation. If the state attempts to extract taxes greater than 10% of income, thereby equating its sovereignty with God's sovereignty (the tithe), then the answer is yes, the two should be equated. Both forms of economic redistribution rest on *illegitimate violence*. The tax collector extracts money or goods from the citizen upon threat of imprisonment or outright confiscation of capital assets. Thus, when the state taxes, say, 50% of a present and future stream of income, the present capital value of the asset producing the stream of income is reduced by nearly 50%.[74] Because some benefits may flow from the state's laws, such as protection from violence or fraud, the economic loss is not necessarily 100% of the tax. The economic effect is almost the same as if the state had taken almost half the lands or almost half the shares of stock or bonds.[75] This is destructive.

72. Chapter 48.

73. Armen Alchian, "Some Economics of Property Rights," *Il Politico* (1965); reprinted in *The Collected Works of Armen Alchian*, 2 vols. (Indianapolis, Indiana: Liberty Fund, 2006), II, p. 55. His conclusion, however, that making pornographic pictures and selling them must be free from legal restraint (p. 55) follows only if we assume that there are (1) no absolute standards of morality, (2) no God, and (3) no social consequences for immoral behavior—in short, no consequences imposed on many members of society by God's judgment. Most economists erroneously make all three assumptions. When we speak of the legitimacy of innovation, we must always have in mind this qualification: ". . . assuming the innovation or transaction is not singled out by the Bible as being defined by God as perverse, and also illegal."

74. Meaning, "reduced from what it would otherwise have been."

75. The economic effect is not precisely the same. It is generally easier for a spe-

2. Taxation: Investment vs. Consumption

By confiscating up to 100% of a person's income (in late twentieth-century England and Sweden, for example),[76] the tax collectors have wiped out billions of dollars worth of capital assets, and lowered the public's willingness to invest more in productive capital. Money flows into other kinds of investments in a welfare state: goods that can be used without paying taxes on the psychic income received. These goods include expensive automobiles, beach homes, gold, jewelry, art objects, mistresses, and other forms of user-tax-free, user-satisfying capital.

The *Wall Street Journal* has provided a classic example of how the state's existing tax policies discourage investment. Say that a very rich man wants to invest a million dollars. He takes the money and invests in a new business. Let us say that he thinks the business will make him 10% on his money in the second year of operation, but nothing in the first year (a reasonable presumption). Let us also say that his estimations were rewarded. At the end of the second year, he had back $100,000 profit for his small corporation. Here is what happened to his corporation in New York City.

> Of the hundred thousand dollars in profit, the city clears away roughly $5,700, leaving $94,300. The state clears away about 10 percent of that, leaving $84,870. The IRS, levying at progressive rates, snatches $38,000, leaving $46,870. Our good rich person then pays himself a dividend.
>
> Being rich, our man is of course in the highest personal income-tax brack-

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cial-interest group to get tax policies changed than it is for members of the group to get the state to return all the property that had been confiscated from each of them, especially if the confiscated property has been sold in the meantime to other private buyers, who will fight any such legislation. The longer the period after the confiscation, the more difficult it is to get the law changed. Thus, when the state confiscates 50% of the property's income in the form of taxes, this probably does not produce a full 50% drop in the market value of the property, whereas a confiscation of 50% of the property does involve a loss of 50%, unless the new owner does something with the property that enhances the value of the contiguous property that the original owner still owns.

76. In 1975, British citizens in the highest tax brackets paid up to 83% of all "earned" income, and 98% of "unearned" (investment) income. The tax authorities actually assessed Mick Jagger, the leader of the Rolling Stones rock band, 101% of his income (since they have property taxes and capital taxes in addition to income taxes), but settled for 94%. He fled the country to become a resident of France, which had established far lower negotiable tax rates for rich immigrants from high-tax countries. "Taxing the Talent Out of England," *U.S. News and World Report* (Sept. 8, 1975). It was estimated in 1977 that as many as 100,000 British executives, middle managers, and entrepreneurs had left England to escape confiscatory taxation during the previous three years. Britain's "revenue loss" was estimated to be a billion pounds in 1976 alone. Bruce Bartlett, "Taxes in Great Britain," *Libertarian Review* (June 1981), p. 26. In the 1970s, Sweden's world-famous film director, Ingmar Bergman, emigrated when the tax authorities taxed him over 100% of his previous year's income.

> ets, and after paying 4.3 percent to the city ($2,015) has $44,855 left. The state clips him for 15 percent of that ($6,728) and leaves him $38,127. Uncle Sam 'nicks' him for 70 percent of that, which is $26,689, leaving him with $11,438.
>
> Thus, on the investment of 1 million dollars in capital and two years of hard work in assembling the enterprise that is risky to begin with, this lucky fellow who turned a profit of $100,000 has $11,438 to spend. He has given up two years on his yacht to gain $5,719 in annual income.[77]

It may not have been quite this bad.[78] But the point is clear, despite the slight exaggeration of the *Wall Street Journal* essay: The higher the tax level, the less that people are going to invest in risky, future-oriented, employment-producing capital assets.

Paul Craig Roberts described a realistic decision facing a rich man in the late 1970s: "Take the case of a person facing the 70 percent tax rate on investment income. He can choose to invest $50,000 at a 10 percent rate of return, which would bring him $5,000 per year of additional income before taxes. Or he can choose to spend $50,000 on a Rolls Royce. Since the after-tax value of $5,000 is only $1,500, he can enjoy a fine motor car by giving up only that amount. Britain's 98% tax rate on 'unearned' (investment) income has reduced the cost of the Rolls in terms of foregone income to only $100 a year. The profusion of Roll Royces seen in England today is mistaken as a sign of prosperity."[79] The pre-1980 tax policies of England steadily wiped out the capital base of the nation—sacrificing future productivity for present luxury. Given the fact that a Rolls Royce generally appreciates with inflation, and also because the newly rich are always coming into the market, and given the income tax-deductibility of interest payments in the United States in 1985, the rich man could make more after-tax money by buying a Rolls on credit, driving it several years, and paying off the debt in depreciated money—and meanwhile enjoying a tax break on the interest payments to the bank that loaned him the money to buy the Rolls. The price of a Rolls appreciated from 1977, when Roberts wrote his essay, until the recession of 1981, four

77. *Wall Street Journal* editorial, cited in George Gilder, *Wealth and Poverty*, p. 174.

78. Federal tax laws in the United States during that period allowed deductions from taxable income for taxes paid at the state and local level. Donald Regan, the Secretary of the Treasury under President Reagan, announced immediately after. Reagan's successful bid for a second term of office (November 1984) that the Treasury was proposing a new Federal tax rule which would deny the deductibility of local taxes from Federally taxable income.

79. Roberts, "The Economic Case for Kemp-Roth," *Wall Street Journal* (August 1, 1978); cited in *ibid.*, p. 173. Because of reductions in tax rates in the highest tax brackets in both nations since 1978, the example is somewhat exaggerated.

years later. This is *present-oriented investing* with a vengeance, and it is a direct, predictable result of envy-inspired confiscatory taxation rates. With tax rates at modern levels, and with theological rebellion loose in the land, we actually find that the *systematic decadence of the rich*—cocaine parties, sexual deviation, perverse art forms—can in fact be interpreted as a form of tax-free income.[80] After all, pleasure as a result of spending is taxed only mildly (sales taxes), if at all. Better to spend now, says the present-oriented man, than to invest for the future. *Eat, drink, and be merry, for tomorrow we go broke, and can then apply for unemployment benefits and food stamps*.

The modern welfare state has imposed tax burdens on the wage-earning, middle-class citizenry that are systematically decapitalizing the modern world. The envy-dominated legislatures and government-financed economic research centers are destroying the capital base of future generations. Economic growth throughout the West began to slow down, 1970–80, as a result of these tax policies. Capital was not being replaced. Investors all over the world were involved in housing speculation during the 1970s, where there were direct benefits (living in a nicer home), and in the United States, at least, there were also major tax benefits (interest-payment deductions from taxable income, as well as depreciation benefits for investment homes, despite the appreciation in value of these investment homes).

This began to change in a remarkable three-year period: 1978–81. In 1978, Deng Xiaoping reversed the communist economic policies in Mainland China, allowing farmers to own their own land. Agricultural output immediately soared. This policy was then transferred to the general economy, which launched the most rapid and comprehensive economic boom in human history, a boom matched only by India's in the 1990s, as a result of similar policy changes. In 1979, Margaret Thatcher became Prime Minister in Great Britain, and in 1981, Ronald Reagan was inaugurated as President of the United States. Thatcher and Reagan succeeded in getting tax reductions legislated, which led to economic booms in both nations.

3. The State vs. Human Rights

So, the answer to the original question—"Are taxes the equivalent of capital confiscation?"—is yes, they are. Taxes are no longer simply

80. One of the most comprehensive reports on decadence in the United States appeared in the final issue of the now-defunct magazine, *New Times* (Jan. 8, 1979). The entire issue was devoted to the topic.

the means of supporting the civil government's protection of private property, which enhances the value of capital by protecting it. Graduated taxation is envy-dominated, based on a theology of salvation by statist law. *The state is a messianic institution in the modern world, and it is a destroyer of capital.* The Moloch state consumes the economic future of its worshippers, and the economic future of its worshippers' heirs. The state, like the polluting factory, is a coercive, capital-destroying agent in the economy. But the polluting factory may provide productive employment for local residents, and it provides the customers with lower-priced goods (lower priced than if the factory had to pay for pollution-control equipment). The state, in contrast, employs only bureaucrats, and uses its funds generally to subsidize the improvident members of society (some of whom may be quite rich),[81] ensnaring them in a web of promised benefits, and destroying their incentive to work for the benefit of customers. The very poor also suffer a reduction of their opportunities to obtain the work skills they need to advance themselves in modern economic society.[82] The confiscatory state is a far greater threat to property and freedom than some local factory which pollutes the air or water.

The modern state is a threat to human rights, for it is a threat to property rights. The modern state is a destroyer of human rights, for it is a destroyer of property rights. Guilt-ridden intellectuals, politicians, and sons of the rich have promoted an ideology of wealth redistribution that destroys capital and therefore destroys human aspirations. They have used the misleading slogan, "human rights above property rights," to destroy both human rights and property rights.

Conclusion

The eighth commandment parallels the third commandment, which establishes a property right to God's name, a boundary that must be respected by men.

The biblical doctrine of ownership is a doctrine of stewardship. God's property is to be carefully developed and improved by His

81. By "improvident," I mean "one who wastes his capital, or the capital entrusted to him by others." This certainly applies to senior executives of major industrial companies that apply to the Federal government for financial aid, tariffs, and other stolen economic goods.

82. George Gilder's book shows how this system works to enslave people in the United States. The work of P. T. Bauer has contributed to our understanding of similar disincentives in underdeveloped nations. See especially his book, *Dissent on Development* (Cambridge, Massachusetts: Harvard University Press, 1972).

stewards.[83] The servants have chosen to ignore God, and they have also chosen to ignore His commandment against theft. Modern man has adopted a new theology, the ownership of property by the state. The state, as the sovereign owner, delegates to its servants the right to administer the property, but the state gets its cut, its tithe. The tithe principle is built into the creation; the only question is this: *Who gets the tithe*? The state is collecting its tithe. As Thomas Sowell summarized it: "Win, and the state wins with you; lose, and you lose alone." This is the rule for the rich and the middle class, in any case. *The modern state is a thief*. When Samuel warned the nation of Israel against selecting a king to rule over them, he tried to scare them by telling them that the king would extract a tithe of 10% (I Sam. 8:15–17).[84] The greatest bureaucratic dynasty of the ancient world, Egypt, took 20% as its tithe (Gen. 47:26).[85] There is no Western industrial state that extracts as little as Egypt took. In fact, in most instances, substituting a tax rate of one-fifth of a nation's productivity would constitute a tax *reduction* of at least 50%.

Private property reduces uncertainty. It gives men an incentive to produce. It expands men's time horizons to unborn generations. It encourages economic growth by enabling innovators and workers to capture the value of their increased productivity. It encourages thrift. Being familistic in nature, it promotes the central institution of economic dominion. It allows the transfer of information, the transfer of uncertainty, and the transfer of capital to those who are willing and able to bear the economic responsibilities of ownership. *The protection of private property is one of the cornerstones of civilization*. The civil government is to protect private property, not steal it.

Private property is basic to God's program of dominion. It is crucial to the success of the Sinai strategy. The dominion covenant requires it. Thieves are not to be allowed to gain access to other men's lawful tools of dominion. They are not to appropriate other men's property except by voluntary contract. This includes thieves who use the ballot box as their weapon.

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83. Though the idea will horrify socialists and egalitarians, the best way to assess the value of an improvement of any property is to compare its price today with its price before the improvement was made. If someone spent a great deal of money to improve a property, but these improvements did not produce a market price greater than the money invested, then that invested wealth was probably misallocated. It might have been better spent elsewhere.

84. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: Point Five Press, 2012), ch. 14.

85. North, *Sovereignty and Dominion*, ch. 35.

The rise of the messianic nation-state in the twentieth century threatened Western civilization. It remains the greatest single danger today to the preservation and expansion of familistic capital. The ideologies of wealth distribution through political coercion—Marxism, socialism, Keynesianism, and the "Social Gospel"—captured the minds of the intellectuals and political leaders of the twentieth century. While this outlook began to be reversed after 1980 and accelerated after 1991, the institutional legacy of the state interventionism rests on well-developed political constituencies, especially the elderly, who grew up in the era of the welfare state and came to rely on it for their retirement years.

The intellectual defenders of the ideal of the welfare state today are less confident than they and their predecessors were before the collapse of the Soviet Union in 1991. But faith in its replacement by the free market and voluntary charities is not yet widespread. Most voters remain convinced that the civil government can and therefore must protect them from major adversity. Until they change their minds regarding the competence of the state to guarantee a society-wide safety net for personal incompetence or improvidence, the masses will continue to defend the legitimacy of the politics of plunder. They will continue to affirm the modification of this commandment: "Thou shalt not steal, except by majority vote."

29

THE VALUE OF A NAME

Thou shalt not bear false witness against thy neighbour.

EXODUS 20:16

The theocentric principle governing this commandment is God's testimony, meaning His *imputation* of meaning, relevance, coherence, and purpose to His creation. He assessed each day's work of creation, day by day, in the first week (Gen. 1). He will judge all men at the final judgment (Matt. 25:31–46). God has rendered judgment, currently renders judgment, and will render final judgment.

The context of this commandment is a courtroom, where witnesses swear an oath. The covenant oath is point four of the biblical covenant.[1] Men are not to become false witnesses. Men, who are made in God's image, are required to tell the truth in a court of law, just as God will tell the truth on judgment day. This principle governs men's public judgments in every area of life, including economic life. Men are to make evaluations, moment by moment. Rendering judgment is an aspect of point four of the biblical covenant. This means *imputation*: assessing the fit or coherence between God's law and men's actions, beginning with themselves (Rom. 7).

A. The Importance of a Name

The importance of the biblical concept of "name" can be seen in God's response to the builders of the tower of Babel (Gen. 11), when they

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

sought to "make a name" for themselves, i.e., to define themselves and their place in the universe apart from God's revelation concerning (1) Himself, (2) the creation, and (3) His sustaining providence. God scattered them for their arrogance.[2]

1. Family Name

Because the family's name is so important in a godly commonwealth, the Bible provides laws regulating the *family's name and reputation*. The preservation of a man's name through children born to his widow and his brother was the basis of the Levirate marriage (Deut. 25:5–6).[3] There was a law in the Hebrew commonwealth that penalized bastardy (Deut. 23:2). This law reinforced the general prohibition against sexual activity outside of marriage (Deut. 22:21). It was unlawful for a newly married man to bring an unsubstantiated charge of non-virginity against a daughter of Israel (Deut. 22:19).

A name in Old Testament times represented power—either magical power or ethics-based dominion power. Very early in the Genesis account, men of God began to call upon His name (Gen. 4:26). Abram, upon entering the land of Canaan, built an altar to God. He moved again, building a second altar unto God, "and called upon the name of the Lord" (Gen. 12:8b). This was in response to God's original command to Abram to leave his country: "And I will make of thee a great nation, and I will bless thee, and make thy name great, and thou shalt be a blessing" (Gen. 12:2).[4] God changed Abram's name to Abraham—"father of nations" (Gen. 17:5)—and He changed Jacob's name to Israel (Gen. 32:27–29): the major transition point in each of their lives. A new name emphasized the magnitude of each of these turning points.

In the New Testament, the name of Jesus Christ must be invoked to enter into salvation. Peter's speech at Pentecost makes this clear. Citing Joel 2:32, Peter proclaimed: "And it shall come to pass, that whosoever shall call on the name of the Lord shall be saved" (Acts 2:21). Baptism is performed in the name of Jesus Christ (Acts 2:38). Peter healed the lame man in the name of Jesus Christ (Acts 3:6). He attributed the man's healing to his faith in Christ's name (Acts 3:16). In a ringing affirmation of the centrality of Christ's name, Peter an-

2. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 19.

3. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 64.

4. North, *Sovereignty and Dominion*, ch. 20.

nounced: "Neither is there salvation in any other: for there is none other name under heaven given among men, whereby we must be saved" (Acts 4:12). *To invoke the name of one's god is to invoke the power of that god*. This is equally true concerning the God of the Bible.

When we are adopted into the family of God (John 1:12), we take on God's family name, just as Israel was referred to by God as His son (Ex. 4:22). We are called by His name, even by the world. It was at Antioch, a pagan city, that the word "Christians" was first applied to the disciples of Christ (Acts 11:26). *God honors His own name*. The adoption by God of the sinner, who bears the family name of Satan before his adoption, transfers to him a new family name. The confrontation between Christ and the Pharisees in John 8 focused on the claim of the Pharisees to be the sons of Abraham. Christ challenged them defiantly: "Ye are of your father the devil, and the lusts of your father ye will do. He was a murderer from the beginning, and abode not in the truth, because there is no truth in him. When he speaketh a lie, he speaketh of his own: for he is a liar, and the father of it" (John 8:44). We should not mistake the nature of Jesus' accusation: He was calling them spiritual bastards, and bastards had no place in the congregational worship of Israel (Deut. 23:2). *Like father, like son*: Here was Jesus' challenge to His enemies. The Pharisees, Christ affirmed, were claiming the name of Abraham illegitimately, for they themselves were illegitimate sons.

2. Character and Reputation

It should not be difficult for a Christian to understand the reason for the inclusion of the prohibition against false witness in the summary of God's law that is provided by the Ten Commandments. *Bearing false witness against an individual is the same as bearing false witness against his family name*. It is bearing false witness against the man's historical position in the plan of God. *It misrepresents God's plan for the ages*. It strikes at the key institution, the family, for it misrepresents the individual's family name. For example, when a new husband brought the accusation of non-virginity against his bride, he had to prove it in court. If he could not prove it, he had to pay a fine of one hundred shekels of silver—an immense sum—to her father, "because he hath brought up an evil name upon a daughter of Israel" (Deut. 22:19). The father's reputation could be harmed by the bad reputation of his daughter, and so could the reputation of the covenanted nation of Israel. This reputation was protected by law from false accusations.

In a godly social order, a man's name is one of his most valuable assets. When we speak of "a man's name," we really mean his reputation. His reputation as an honest person, or as a competent workman, or whatever his calling may be, must be protected by law. *To impugn his name is to impugn his character*. A man's character, for good or evil, must be respected. This was recognized by Shakespeare.

> Good name in man and woman, dear my lord,
> Is the immediate jewel of their souls:
> Who steals my purse steals trash;
> 'tis something, nothing;
> 'Twas mine, 'tis his, and has been slave to thousands;
> But he that filches from me my good name
> Robs me of that which not enriches him
> And makes me poor indeed.[5]

The preservation of a man's reputation is not a matter of being polite. Christ was hardly being polite to the Pharisees when he called them sons of someone other than Abraham, namely, the bastard sons of Satan. In fact, it is one sign of a godly social order that men recognize churls for what they are, and the sign of an unjust social order when they are not called what they are. Thus, Isaiah pointed to this aspect of a future reign of justice: "The vile person shall be no more called liberal, nor the churl said to be bountiful. For the vile person will speak villany, and his heart will work iniquity, to practice hypocrisy, and to utter error against the Lord, to make empty the soul of the hungry, and he will cause the drink of the thirsty to fail" (Isa. 32:5–6). The American slang expression, "calling a spade a spade," reflects this concern for honest witness. It includes calling the churl a churl. A man's reputation is to be protected, including his reputation for evil, if he is still evil. Anything else lends itself to "confidence games" by "con men." We are asked to have confidence in someone who does not deserve it. The con man steals from the unwary by means of a false reputation. He cultivates this false reputation, even as the Pharisees of Christ's day cultivated a false reputation. The so-called "polite culture" is a culture that is not guided by the law regarding false witness.

We forget that names were descriptive in Bible times. "Abram," for instance, means "exalted father." "Abraham" means "father of nations" or "father of a multitude." This naming process worked negatively as well. The evil man in Judges 9:26 is named Gaal ("Loath-

5. *Othello*, III:3.

some") the son of Ebed ("the slave"). It is unlikely that his parents gave him this name at his birth. Perhaps Samuel (or whoever wrote Judges) gave him that name for theological reasons. [6] A similar social phenomenon was found in twentieth-century China. Steven Mosher's fine book on the rural Chinese points this out.

> Another result of life-long encounters on village paths is an effortlessly acquired and altogether exhaustive fund of knowledge of each fellow denizen's finances and possessions, history and hopes, strengths and weaknesses, allies and enemies. One sign of this intimate communal familiarity lies in the revealing nicknames which Chinese everywhere assign to one another, and which I found to be uncannily accurate appraisals of a person's appearance and character. The best are truly inspired sobriquets. One brigade [Communist] Party secretary surnamed Wang is known to everyone in his village as Toad Wang, which is precisely the image evoked by his squat body and flat, powerful head, as well as by a distasteful deviousness he is known for. Then there is Cherrystone Shen, a tightfisted peddler whom, as many of his neighbors have discovered, it is next to impossible to get the best of in a deal. Some handles are obvious choices, like Big Head Yan for a man whose head is unusually large and dome-like, or Wine Rice Su for a villager who is well known for his habit of scooping only a finger of steamed rice into his bowl and then filling it up to the brim with rice liquor. Others ring unpleasantly, even cruelly, to Western ears, for instance the nickname of one Sandhead brigade official who has a severe speech impediment. He is called Cripple Mouth Lin. But when I asked Comrade Lin, as I carefully addressed him, if his seemingly disparaging appellation had ever made him angry or uncomfortable, he was perplexed. "Why should it have?" he answered mildly. "After all, my mouth is crippled." As he well knew, his nickname carried no hint of taunt or blame, but was simply the public recognition of the obvious fact of an infirmity. More generally, these names stem from the down-to-earth unpretentiousness of Chinese life, where people are seen—and identified—as what they are.[7]

B. Name-Brand Identification

When we recognize the link between *reputation* and *performance*, and where the civil magistrate enforces this link by penalizing the false witness, we can understand the economic importance of brand names. Very early in man's history, this link between name and workmanship was established. For example, the two craftsmen who helped supervise the construction of God's tent, the Tabernacle, Aholiab ("a

6. I am indebted to James Jordan for these examples.

7. Steven W. Mosher, *Broken Earth: The Rural Chinese* (New York: Free Press, 1983), p. 33.

father's tent") and Bezaleel ("the shadow of God"), are mentioned repeatedly in Exodus 31–38 as master craftsmen. They had reputations for competence. God specially called Bezaleel, filling him with His own spirit—in wisdom, understanding, knowledge, "and in all manner of workmanship"—that he might perform this important task in Israel's history (Ex. 31:1–5). Throughout the history of Israel, their names were associated with fine craftsmanship.

1. Maintaining a Reputation

When a craftsman knows that people recognize his work, or at least his name, he has a direct economic incentive to maintain this tradition. It takes great skill and possibly many years of struggle in the competitive marketplace for a craftsman or a producer to develop positive name-identification among his potential clientele. People learn, over many years in some instances, that a particular individual produces quality products that can be relied upon to deliver long-term service. It may take years for buyers to discover this about a man's products, since it takes time to test them in actual use. Buyers invest time and effort and money in their search for bargains. Gathering and evaluating this information is expensive. Mistakes are easy to make. The "school of hard knocks" can be a high-tuition institution for slow learners. Thus, when a product line becomes recognized as a reliable, valuable one, the producer has an incentive not to tamper with quality, since he is now the recipient of *customer loyalty* for his products. The recognition and acceptance given to his products by the buying public is an important *capital asset*. Like any capital asset, its value can plummet if the buyers begin to change their assessments. He has an incentive to keep them from changing their buying habits.

This is not to say that name-brand identification cannot be used for short-term gains at the expense of long-term gains. We are all familiar with this scenario: a firm that has developed a reputation for producing high quality goods is taken over by an outside company. The new managers decide to reduce costs by cutting the quality of inputs. The public may not initially recognize that quality debasement is going on. It takes time and experience to convince buyers that such a change in policy has been made by top management. They may conclude that their recent bad experience with a particular product is not representative of the product line in general, since the firm has such a respected name. They may not trust their own judgment. But eventually, buyers learn that the old reliability is no longer available.

At that point, they may choose to switch loyalties, or remain buyers only by inducements such as price reductions by the seller. The firm can obtain short-term profits—an excess of revenues over costs—by reducing quality, but only by risking the loss of the positive name identification that the firm previously enjoyed. In other words, this sort of short-run profit comes through a form of *capital depletion*.

2. Specialization and Marketing

In ancient history, a family that enjoyed economic surpluses (meaning an excess of production over actual expenditures or consumption) was in a position to seek buyers for its products or services. The family could begin to increase its output by specializing. Specialization increases the division of labor, and hence it increases output per unit of resource input. As the buying public began to differentiate one product or service from competing products or services, specialized sellers could begin to invest greater quantities of capital in the enterprise. These family businesses could be more confident of selling into a stable market, since product or service loyalty among buyers was beginning to develop. The *high costs* to customers of shopping around, of searching for alternative product or service substitutes, make name-brand identification a convenient *economic shorthand*. This is as true today as it was in the ancient world.

As certain families, especially those engaged in craft production, found ways of differentiating their products from those of their competitors, they could convert this recognition in the marketplace into money or bartered goods. Perhaps a family head possessed a unique skill or special knowledge of marketing. Others may have become known for their sense of honor. These family traditions became capital assets. The *family name* became an early form of *family capital*. This was especially true among artists. With greater name identification, customers found it less expensive to identify desirable products. This helped to extend market transactions, for customers could make more purchases because of the savings that resulted from the better information to customers as a result of name-brand identification.

This analysis is a form of "hypothetical history." We cannot find ancient family budget records that say, "Today, we saved 10% of our monthly budget because we reduced our search costs." We know that certain craftsmen gained reputations for excellence. We then analyze this fact from the point of view of economics. We know that people want to reduce their costs of searching for bargains. We know that in

the Hebrew commonwealth, the preservation of the family name was of paramount importance. Such a concern always has economic implications. We can conclude that buyers understood that producers would want to maintain their names' good reputations. Thus, buyers could adopt the "short cut" of substituting the producer's name for an involved testing of the product or an expensive search for information.

The wider the positive reputation of a seller, the wider is his market. When a product's reputation is high, additional marketing expenditures may be reduced without reducing sales. This makes international trade less expensive, just as it makes domestic trade less expensive. In foreign trade, a reputation for quality counts for even more than it does in local trade, since foreigners may have great difficulty in returning a defective product to the producer for repair or a refund. The local buyer may find it relatively inexpensive to confront the seller directly, since his transportation costs are low. Foreigners, especially in the ancient world, were not the beneficiaries of many of the advantages that domestic buyers possess. They were not citizens of the country where the producer lived. In the ancient world, this made it almost impossible for foreign buyers to gain justice in another nation's legal system, since foreigners had no legal rights, not being part of the civic religion. Thus, the reputation of the producer, or the importer-trader, was important in establishing foreign markets for the products of a nation's citizens.

We can readily understand that a close relationship between morality and the family name, between a sense of craftsmanship and the family name, or between both morality and craftsmanship and an identifying mark on the product, must have made it easier for a nation to gain an international reputation. Foreigners would learn of the high quality products produced by the citizens of some foreign culture. The reputation of that nation would be enhanced. This was true of Israel's laws:

> Behold, I have taught you statutes and judgments, even as the Lord my God commanded me, that ye should do so in the land whither ye go to possess it. Keep therefore and do them; for this is your wisdom and your understanding in the sight of the nations, which shall hear all these statutes, and say, Surely this great nation is a wise and understanding people (Deut. 4:5–6).[8]

8. North, *Inheritance and Dominion*, ch. 8.

What is true of a law-order is also true for products. When customers can more readily identify products that satisfy them, the efficiency of the market is greatly enhanced. *The division of labor is limited by the extent of the market*, Adam Smith wrote in Chapter 3 of *Wealth of Nations* (1776), and by increasing name-brand identification, producers thereby contribute to extending the market. Men become familiar with buying in the marketplace, which is important in the transition between a primitive society, with its low division of labor, to a modern society. *Brand names transmit knowledge* in an effective, rapid, and summary fashion, and knowledge is what the Bible commends again and again. Brands help customers to *economize on knowledge*, which is the most important and valuable of all commodities (Prov. 3:13–20).[9]

Another neglected aspect of brand names is that a brand name makes possible scientific testing by independent research organizations. Brands establish an identifiable subclass of goods (a particular product line), which can then be compared scientifically by means of random selection from this and other competing products in that same class. The performance of a randomly selected product from an identifiable company can be compared with the performance of other randomly selected products that are produced by competitors. The results of these tests may be purchased by customers. This helps customers to make cost-effective decisions about which products to purchase.

If potential competitors were allowed to adopt identical identifying marks of successful products, including even the name of the competitor's firm, the customer would find his ability to make cost-effective choices dramatically reduced, and the successful producer would be robbed of a capital asset, namely, his position in the market as a recognizable seller of desirable, familiar products. The costs of knowledge would rise. The customer would be poorer, because his knowledge of name-brand product lines, gathered over months or years of reading or comparing brands, would be wiped out. The protection of a name by the civil government is basic to the efficient functioning of a free market society.

9. By far the finest book on the economics of knowledge is Thomas Sowell, *Knowledge and Decisions* (New York: Basic Books, 1980). Also useful is the specialized study by the legal theorist, Henry Manne [MANee], *Insider Trading and the Stock Market* (New York: Free Press, 1966). A bit narrow in focus, but important in dealing with the question of knowledge and the stock market, is the symposium edited by Manne, *Economic Policy and the Regulation of Corporate Securities* (Washington, D.C.: American Enterprise Institute, 1969), especially the essay by Harold Demsetz, "Perfect Competition, Regulation, and the Stock Market." Cf. Frederick G. Klein and John A. Prestbo, *News and the Market* (Chicago: Regnery, 1974).

The fusion of *identifiable product lines* with *free pricing* (open competition) made possible modern economic life. By speeding up customers' decision-making—by lowering the costs of making decisions, in other words—name-brand identification has increased per capita wealth. Customers not only can make more rapid decisions about buying, as a result of their past experience, but advertising also reduces the time and trouble associated with bargaining. *The wider the market for information, the narrower the zones of ignorance on the part of buyers and sellers*. The buyer knows more concerning the comparative offers of other sellers, while the seller knows more about the offers of competing buyers. Well-publicized prices for specific brands therefore reduce the need for "hard bargaining" between the buyer and seller—bargaining that all too often involves lying, cheating, misrepresentation, and special advantages to one party in the transaction over the other (an advantage based on better knowledge concerning market alternatives).[10]

C. Slander and Theft

The prohibition against bearing false witness is theocentric. Men are to give an honest account of God, God's work, and God's plan for history. The commandment requires men to adhere to the God-interpreted facts of history. The existence of this theocentric commandment against distorting the truth concerning God has created a unique property right: *the right to a name*. A man is entitled to his good name. *Slander is therefore a form of theft*. The civil government has an obligation to defend the right of an individual to use a particular name, both personal and corporate, both familial and institutional. The civil government must also defend that name against false witnesses. In doing so, the civil authorities thereby reduce customers' search costs, for the property right to a name, trademark, or other identifying mark encourages men to build up their capital by establishing good reputations for themselves. This helps to increase the sale of high-quality products, or price-competitive products, and it also reduces search costs for the customers. Buyers can make decisions more effectively (less wastefully) because of the availability of brand names.

10. Hard bargaining is not innately evil, but it is fraught with ethical dangers. North, *Sovereignty and Dominion*, ch. 26. By reducing the need for hard bargaining—itself essentially an exercise in competitive knowledge, buyer vs. seller (although force of will is also important)—the wide knowledge of economic alternatives conveyed by a free market pricing system helps reduce men's temptations in economic affairs. Reducing the cost of knowledge reduces conflicts.

The prohibition against an evil report should remind us of the proclivity of rebellious men to listen to evil, false reports, and then to spread such reports to others. The spread of lies within a rebellious, envious culture is far easier (less costly) than the spread of the truth. Men who are in rebellion against God have a vested interest in falsehood about God (Rom. 1:18–22)[11] and therefore also about their fellow man. *There is greater demand for false rumors than there is for the truth.* Men delight in twisting the revelation of God concerning Himself and His creation. There are too many volunteer agents (gossips), and the market for false rumors is wider and more easily accessible than the market for truth, with its greater precision and its comparative lack of rebellion-filled excitement. False rumors are like mistresses: more exciting initially than wives, but more deadly. This is why Proverbs compares false knowledge with harlotry (Prov. 7:6–23), and compares wisdom with the honest woman crying in the streets, ignored by the inhabitants of the city (Prov. 1:20–33).

Because men are evil, the transmission of false reports against morally upright citizens is subsidized. This subsidy by the ungodly—their preference for falsehood—reduces the per capita wealth of a society, for decisions made in terms of false information are far less likely to produce beneficial results at the lowest possible costs.

D. Advertising

Advertising is not well understood by social commentators. There has been a great deal of criticism aimed at advertising in general and the advertising industry in particular.[12] Many sorts of economic evils are laid at the door of advertising, especially the creation of new wants—wants that become "needs" in the minds of the masses. This is an odd criticism, coming as it does from educated people. What was the university, or the inventor's laboratory, other than a means of creating hitherto unappreciated opportunities ("wants") for those

11. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 2.

12. Criticism of advertising has been a constant theme in the writings of John Kenneth Galbraith. Cf. *The Affluent Society* (Boston: Houghton Mifflin, 1958), pp. 155–58; *The New Industrial State*, 2nd ed. (Boston: Houghton Mifflin, 1971), pp. 203–9, 273–74. He commented: "The educational and scientific estate and the larger intellectual community tend to view this effort [modern advertising] with disdain" (p. 293). For a self-professed Christian's similar disdain, see Ronald Sider, *Rich Christians in an Age of Hunger* (Downers Grove, Illinois: InterVarsity Press, 1977), pp. 46–50. I cite it, not because it is the only neo-evangelical book to take such a position, but because it is the representative book.

who had not previously considered them? How can we imagine the operation of the famed institution, "the marketplace of ideas," apart from men's quest for better arguments, more effective presentations, and improved communications? Advertising is grounded in the right of free speech. It is also grounded in the right to one's name, which is a capital asset whose market value is enhanced by advertising.

1. Property Rights in a Name

Christian commentators have failed to recognize the biblical foundation of advertising. *All advertising rests on the commandment that prohibits false witness*. This commandment, as we have seen, establishes a situation analogous to *a property right in a person's name*. This name can become a means of transmitting information to customers. The name "Rembrandt" on a painting conveys certain information concerning the quality of the painting. The name "Coca-Cola" conveys information concerning the taste of a soft drink. When the company changed the drink's formula and name to "New Coke" in 1985, it suffered immediate losses. It was pressured by customers to reintroduce the discontinued drink within three months: "Classic Coke."

Advertising's critics object to any misuse of this property right. There are many failings of the advertising industry that are singled out. But are they really significant? Here are some of the typical complaints. "The industry creates unnecessary desires for consumer goods in the minds of the public." (In other words, advertising does convey knowledge of opportunities or benefits that potential purchasers might otherwise have overlooked.) "The industry manipulates the buyers." (The same way that these same advertising firms manipulate voters who elect politicians who will establish national policies, not just sell car wax. Should we therefore abolish free speech?) "Buyers are helpless to resist these manipulations." (Just as the buyers must be helpless to decide for themselves the better political candidate. Should we therefore abolish free speech?) "The industry sells dreams, not reality, sizzle rather than steak." (What else do national political party platforms sell except dreams, and how close to subsequent reality are the pre-election promises of politicians? Should we therefore abolish free speech?) "Advertising misleads buyers continually." (Apparently, the competition of rival advertising presentations cannot offset such misleading information.) "Advertising reduces human freedom to act rationally." (Multiple opportunities apparently are bad for human freedom.)

The reality of advertising is simple enough. As with any tool of motivation and communication, it can be misused, fraudulently used, tastelessly used, and illegally used. When a company promises something tangible (as distinguished from dreams and fantasies that no one believes logically), and then fails to deliver, the advertiser has violated the prohibition against false witness. He has promised that which cannot be delivered as promised. He has said that a particular brand offers a certain set of benefits, and it offers no such benefits. That is fraud, and it is illegal. Victims can sue in court. Prosecuting attorneys can bring charges in the name of the victims.

The point should be clear: Any property right, or human skill, or tool can be misused. What is more important is *to decide who will have the right to use the tool or technique*, under what circumstances, under what penalties, and most important of all, *who will decide what is legitimate*? No one has stated the problems more intelligently than Thomas Sowell: "The broad sweep of knowledge needed for decision making is brought to bear through various systems of coordination of the scattered fragmentary information possessed by individuals in organizations. . . . The most basic decision is who makes the decision, under what constraints, and subject to what feedback mechanisms. This is fundamentally different from the approach which seeks better decisions by replacing 'the bad guys' with 'the good guys'—that is, by relying on differential rectitude and differential ingenuity rather than on a structure of incentives geared to the normal range of human propensities."[13] In other words, two issues—(1) *the carrot and the stick*, and (2) who has the *authority* to establish when to use the carrot or the stick—are far more important issues than the appointment of hoped-for moral giants to positions of high authority. How to coordinate knowledge? How to determine which facts are the economically relevant facts? How to devise an incentive system to encourage people to seek the proper facts and use this knowledge efficiently in order to satisfy consumer demand? These are the relevant questions.

2. Motivation

Advertising provides a means of communicating information in an effective, motivating way. Let me offer an example from my own business. When I began publishing my bi-weekly economic newsletter, *Remnant Review* in 1974, I wrote a promotion letter that was mailed to a specially targeted audience that was familiar with my name and my

13. Sowell, *Knowledge and Decisions*, p. 17.

previous economic work. I received sufficient subscription income to pay for the mailing, and even show a profit. This same letter was reprinted (at zero cost to me) in a local newspaper with a circulation of over 100,000—50 times larger than the select group I mailed to originally. Total response: zero. Name-identification made much of the difference.[14] Because some people knew who I was, they were willing to risk their money and subscribe. I communicated in an effective way to one group, but not to the other. *Motivation and name-identification are closely linked.*

What about pictures of rugged cowboys (one might say "worn-out cowboys") that sell cigarettes? Marlboro used "Marlboro Man" (1955–62) and then "Marlboro Country" (western theme: 1963–) ads for five decades to gain and retain a large share of the world's cigarette market. Consider what went before. From the late nineteenth century until 1954, Marlboro catered to women. In 1954, the cigarette featured a red filter tip. The company dropped this marketing strategy in 1954. The second approach, begun in 1955, was a resounding success. By 1971, the Marlboro brand was number-one in the world, up from 1% in the United States in 1954. Was either advertising approach innately immoral (setting aside the question of whether cigarettes as such are somehow immoral)?[15] Has the public been misled in the latter case, but not in the former? Or are buyers somehow pleased to smoke "he-man" cigarettes rather than "she-woman" cigarettes? They were unwilling to buy red filter tipped cigarettes that attempted to sell to women. But did red filter tips convey "true" information about femininity? Was the early Marlboro cigarette more a women's cigarette than a man's? Or were the advertisers simply trying to position the cigarette in the market by a subtle (or not too subtle) appeal to the buyers' imaginations?

Is it wrong to give a customer a sense of belonging to a "special breed" of men, even when nobody believes it? Why do buyers return, year after year, to the companies that offer them illusions—harmless illusions in themselves—that buyers respond to? What possible benefit would the customer or the seller derive from an endless series

14. Another difference: People do not expect to be asked to buy something when they read what appears to be an information article. They read ads in order to be sold. Thus, the mental switch from "information mode" to "buying mode" is not automatic. It is an expensive switch to make, unless the ad has been specifically designed to activate this switching process.

15. Two of the Marlboro Country models, who really were cowboys, died of lung cancer in the early 1990s.

of ads that announce: "This product is basically the same as all the others, but we want you to buy ours, since we like our present employment opportunities"? How exciting would that be, even though most of us know that such a disclaimer is essentially true, and that free market competition keeps most of the products within any given price range basically comparable (though not identical)?

This point cannot be avoided in marketing: the competitive structure that provides incentives for one company to improve a product, and for others to follow this lead, is heavily dependent on advertising to create the *desire to buy* in the minds of the readers or viewers. The advertising system, so widely criticized, is itself one foundation of the competitive system that makes "miracles" available to the public at competitive prices. The "evils of advertising," meaning effective, motivating advertising, are absolutely fundamental to free market sales. The *voluntarism* that lies at the heart of the market makes necessary the conveying of information concerning new opportunities in *effective packaging*. Sellers cannot force buyers to buy.[16]

Write a newspaper column about a new book, unless it is a book review in a major publication that caters to the book-buying public, and few sales will result. Design an ad written around an extract from this review, and run the ad in the same newspaper or magazine in which the review originally ran, and sales could be considerable. Why the difference? Critics of advertising ignore the obvious: *people read ads with minds open to motivation*. They seldom read newspaper columns in such a way.

Then there is the filtering process of the mind. People unconsciously screen out vastly more data than they notice, let alone absorb, or even less often, act upon. *Habit screens out new opportunities*. So do many other mental processes that we do not understand yet. Some way to "punch through" the mental veil of indifference must be found. This is what advertising is all about. It is not economically sufficient merely to inform people concerning opportunities; *advertising must motivate them to act*. We are not hypothetical Greek rationalists, who always do the right thing whenever we have sufficient knowledge. We are not saved by knowledge, nor are we exclusively (or even

16. The ability of customers to resist the persuasion of advertisers is admired by Galbraith; "The power to influence the individual consumer is not, of course, plenary. It operates within limits of cost. . . . That the power to manage the individual consumer is imperfect must be emphasized." John Kenneth Galbraith, *Economics and the Public Purpose* (Boston: Houghton Mifflin, 1973), p. 138. The title of the chapter, however, tells the story: "Persuasion and Power."

mainly) motivated by sheer intellectual awareness. We are motivated by other aspects of human personality: fear, greed, joy, hope, love, humor, imagination, respect, and the desire to be the first person on the block to own one. We are motivated by altruism, too, but you will receive far more donations to "save the children" if you include a picture of a waif and include a brief description of the waif's plight. People respond to real-life situations or perceived real-life situations. They respond to emotions, to empathy, to the concrete—not to the abstract. They are not so ready to respond to statistical summaries of disaster-laden foreign nations. They want stories and photographs.

The Bible is the model of effective persuasion. It is not a book of systematic theology. It is a book of stories and practical letters. We read Bible stories to our children. Catechisms are extensions of these stories. The stories of Cain and Abel, Moses and Pharaoh, David and Goliath: these are God's tools of persuasion.

3. The Non-Primacy of the Intellect

A favorite myth of intellectuals, the primacy of the intellect, is seldom taken seriously by advertisers, because advertisers know that human beings are multifaceted creatures, not just austere, pristine intellects. If you want to help the real-life victims of disasters, and you need money to do this, then you had better be prepared to abandon the doctrine of the primacy of the intellect. You must use advertising techniques that have been successful in selling soap, as well as selling political candidates, if you want to communicate your program to the over-saturated, numbed potential donor. Jerry Huntsinger, one of the most successful direct-mail fund-raisers in the world, said that once the recipient opens the envelope (and it is not easy to get him to open it), he will put it down or throw it away if you have not caught his interest within five seconds. This brief attention span is the statistical reality of direct-mail fund-raising appeals, and no repetitive chanting of the primacy of the intellect can overcome this discovery of the intellect, namely, the statistical results of direct-mail appeals for funds.

Thus, to judge the legitimacy of advertising strictly in terms of the myth of the primacy of the intellect, is to misjudge the validity of advertising. If some statistically significant (meaning revenue-generating) portion of the buying public is responding to a "manipulative" advertising campaign, the proper response is not to call the state in to ban the campaign, but rather to allow the predictable free-market

response, namely, for other sellers to enter the market with a similar "manipulative" campaign. Just as the answer to a "manipulative" prosecuting attorney's presentation is an equally "manipulative" defense attorney's presentation, so the answer for "manipulative" advertising is open entry to a competing advertising campaign. The important issue is not the presence of supposedly manipulative elements in advertising, but rather the *open entry of competitors into the marketplace*. The only known alternative is a statist nightmare of regulatory activities by entrenched, monopolistic bureaucrats. This price is too high.

4. Behavioral Economics

Economists are great believers in the final authority of the intellect. The economist's conception of the model known as economic man, the rational calculator, is at the heart of modern economics. Yet that model is beginning to unravel. When the first edition of this book appeared in 1986, that was not true, but in the 1990s, the model began to be challenged by a new school of thought within the profession, called behavioral economics.

Psychologists' techniques began to penetrate the thinking of a handful of economists. They began to conduct experiments that undermined a few economists' confidence in men's commitment to their own rational self-interest. Here, I must invoke the only known law of sociology: "Some do. Some don't." Economists disagree with psychologists, who reciprocate. Also, members of each group do not agree with members of their group. But, as of 2012, some psychologists argue that the brain is divided into the limbic and paralimbic systems, which deal with emotions, and the analytic system, which is centered in the frontal and parietal cortexes. The analytic system handles the rules of whatever environment a person finds himself in. It is future-oriented and rules-oriented. The limbic system is present-oriented. In other words, here is scientific physiological evidence of the ancient rational-irrational dualism.

There are experiments by psychologists that do point to physiological causes of this dualism. Certain decisions are accompanied by brain activity that can be monitored through brain scanning techniques, such as magnetic resonance imagining (MRI). Research subjects are offered a choice: $20 now or $23 in a month. Some will take $20 now. Limbic system activity is visible on-screen. But if the choice is between $20 in two weeks and $23 in a month, hardly anyone chooses $20. The limbic system ceases to influence the decision, since both

choices are in the future. Those experiments that are economics-oriented have led to a branch of economics called neuroeconomics.[17]

Economists are now discovering that such emotions as vengeance, envy, and the fear of betrayal influence decision-making. In repeated experiments, one of two players is given money to divide between both players. Player A makes an offer to divide the money. If player B accepts the offer, each player gets what he has agreed to. If player B rejects the offer, neither player gets any money. In thousands of trials, with different stakes, the results are predictable: player B will reject any offer lower than 30%. The A players sense this, and so they usually offer 40% to 50%. Here is the kicker. If player B believes that a computer has made the offer, he is likely to accept less than 30%.[18] Yet traditional economic theory says that a rational person will accept anything rather than receive nothing. "You can't beat something with nothing." Yet, where envy or resentment at being offered an "unfair" offer is concerned, people *do* prefer nothing to something. This is real-world economics. This is acting man, not economic man.

Behavioral economists have discovered that the ways in which offers are presented, not simply the net economic return, influence people's choices. They are just beginning to accept the reality that advertisers have known for a century: *people respond to emotion*. A South African bank ran tests of a series of offers to previous borrowers. The bank offered lower-interest loans. But the bank tested to see what motivated borrowers. It found that by including a photo of a bank employee in the offer, more people took out a loan, even at a rate of interest higher than that offered to people whose offer did not include a photo. If the photo was of a woman, men were willing to borrow at five percentage points higher. This information has stunned economists.[19] It did not stun me. I have written too many direct-response ads.

One of the major economists in the field of behavioral economics is Harvard University's Sendhil Mullainathan. He commented on what advertisers and Austrian School economists have always known.

> We tend to think people are driven by purposeful choices. We think big things drive big behaviors: if people don't go to school, we think they don't like school. Instead, most behaviors are driven by the moment. They aren't purposeful, thought-out choices. That's an illusion we have about others. Policymakers think that if they get the abstractions right, that will

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17. "Neuroeconomics," *Harvard Magazine* (March–April 2006), p. 54.
18. Craig Lambert, "The Marketplace of Perceptions," *ibid.*, p. 93.
19. *Ibid.*, p. 57.

> drive behavior in the desired direction. But the world happens in real time. We can talk abstractions of risk and return, but when the person is physically checking off the box on that investment form, all the things going on at that moment will disproportionately influence the decision they make. That's the temptation element—in real time, the moment can be very tempting. The main thing is to define what is in your mind at the moment of choice.[20]

He defined "purposeful" as "thought-out choices." He still did not escape from the mythology of the primacy of the intellect. His economic analysis did not incorporate *purpose* as *non-financial*. His economic theory is only beginning to comprehend man as a decision-maker who is not an analytical calculator devoid of emotion and sin.

He and his colleague Andrei Shleifer wrote a detailed study of financial advertising. They discovered that the ads paralleled the state of the stock market. The advertisers did not try to educate investors; they designed their ads to match the present opinions of the targeted audience. Any advertiser could have told the professors that no one can afford to finance an ad campaign that runs counter to the targeted audience's beliefs.

The two economists recognized that persuasion and rhetoric are linked. They admit in the abstract of their article: "Persuasion is a fundamental part of social activity, yet it is rarely studied by economists." The traditional theoretical model discusses advertising as the presentation of objectively verifiable information. The behavioral model sees persuasion as matching the audience's existing beliefs.[21] *Rhetoric is central, meaning symbolism and emotion*. Economists generally have not grasped what I recognized in 1992: The tripartite biblical hermeneutic of *grammatical-historical, theological, and symbolical* corresponds to the medieval trivium: *grammar, logic, and rhetoric*. These three factors are at the heart of the direct-response advertising industry. An ad must have a powerful offer that appeals to the buyer's self-interest: grammar. It must offer proof: logic. It must appeal to the emotions: rhetoric.[22] To understand mankind, we must move beyond the myth of the primacy of the intellect.

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20. *Idem*.

21. Sendhil Mullainathan and Andrei Shleifer, "Persuasion in Finance," *Third Draft* (Oct. 2005).

22. Dorothy Sayers' article, "The Lost Tools of Learning" (1947), called for a restoration of the trivium, which she argued corresponds to a child's mental development: childhood, puberty, and early adulthood. Few people know that she was a professional advertiser, not just a writer of mystery novels.

E. Imputation and Value

To name something is to define it. To define it is to impute meaning to it, to assess its relevance and role in a larger scheme of things. To impute meaning is to evaluate something *objectively external* in terms of coherent, internally self-consistent *objective standards*. There must be an objective relationship between historical events and fixed ethical or value-based standards. There must also be a way to discover and then assess this relationship. This is the meaning of imputation. The entire process of imputation is inherently *subjective*. A person does the naming-assessing-imputing.

1. Realism and Nominalism in Economic Theory

Modern economic theory rests self-consciously on the concept of imputed value. This was not always the case. Following Adam Smith, classical economists explained the relationship between value and price in terms of objective value, either a labor theory of value or a cost-of-production theory of value. Adam Smith taught both, although both cannot be true. We can call this the *realist* concept of value. Value is explained in terms of something real that goes into a product. The theory could not explain the value of a waterfall. The theory left out all of nature, which is God's creation. Has nature no value? The Physiocrats, contemporaries of Smith, explained value in terms of land. Then what of man's labor? Is it worth nothing?

In contrast to the realists were the *nominalists*—as always in philosophy. Three men offered a subjective theory of value, independently and at the same time (1871–73): William Stanley Jevons of England, Carl Menger of Austria, and Léon Walras of Switzerland. They argued that men subjectively impute value to consumer goods. Men's competitive bidding against one another establishes objective prices. Thus, the basis of economic value is subjective. The basis of price is supply and demand. Value and price are related by the process of imputation.

The practical problem for subjective value theory was not recognized until the 1930s. If value is completely subjective, then there is no objective standard—no measure—that applies to all mankind. There is no scientific way to compare one person's value scale with another person's. There is no way for economists, as scientists, to make *interpersonal comparisons of subjective utility*. This implication of subjective value theory was first developed by Lionel Robbins, who had been greatly influenced by Ludwig von Mises, who in turn was an

Austrian economist in the tradition of Menger. Robbins came up with this argument in response to the argument by A. C. Pigou that a case can be made for the graduated income tax on this basis. The value of an extra unit of income is less for a millionaire than for a poor person. There is a gain in total social utility when the state takes away a large portion of rich man's money and gives it to poor people. This concept is the foundation of welfare economics, which Pigou had pioneered. Robbins argued in 1932 that this argument has no epistemological validity. There is no way to measure objectively the value of a unit of income for anyone, let alone cross comparisons among people.[23] Had Robbins chosen to extend this idea, he could have challenged the very concept of an objective unit of income. If a dollar is the unit of income, its subjective value to an individual is not objectively measurable, because each penny's worth of value is subjective, and it is slightly though immeasurably less valuable than the previous penny's worth. And so on, *ad infinitum*.

To counter Robbins, Roy Harrod, editor of *The Economic Journal*, argued that if Robbins' theory were true, then it would be scientifically impossible for economists to defend or criticize any economic policy in terms of its expected or retrospective social benefits and costs. *It would impossible to make scientifically valid cost-benefit analyses*. This would destroy the entire field of applied economics, Harrod said. Robbins admitted in 1938 that Harrod was correct, yet he also affirmed his own faith in the possibility of rendering sound advice to the government. This was a complete retreat from his original opinion. Although he lived for over four decades after this exchange, he never explained why this retreat is epistemologically valid in terms of subjective value theory. He also did not explain why Pigou's argument is incorrect, given his retreat. On the other hand, Harrod did not explain how his view of the "economist as advisor" can be defended scientifically if subjective value theory is true, which all schools of economic theory except for Marxism affirm is true. Most economists remain unaware of this problem. They do not propose a resolution.[24]

This debate within the guild of the economists is merely the application of the *realist-nominalist antinomy* in all humanist rationalism, a radical and (so far) unreconciled contradiction. Reason, which is said

23. Lionel Robbins, *The Nature and Significance of Economic Science*, 2nd ed. (London: Macmillan, [1932] 1935), ch. 6.

24. I have covered this debate in North, *Sovereignty and Dominion*, ch. 5, and North, *Authority and Dominion*, Appendix H.

by philosophers to be common to mankind, has not yet led philosophers to discover some universal and logically undeniable *common epistemological ground* between the sadist and his victim. There is no way to measure—to evaluate scientifically—the quantity of pleasure. So, there is no way to ascertain the quantity of pleasure received by a person who gets pleasure by inflicting pain on someone else, compared to the quantity of displeasure of the victim who has this pain inflicted on him. This being the case, is the civil government therefore logically incapable of defending laws against sadism and violence? Scientifically, the answer is *yes*, if we define science in terms of nominalism, i.e., autonomous men's individual understanding of the truth. There is no way to explain how autonomous individuals who disagree over these elusive first principles can draw accurate conclusions about the wisdom or illegitimacy of any social policy.

On the other hand, if we turn to realism as the basis of a solution to the philosophical problem of *corporate incoherence because of individual autonomy*, we find that there is no rational way to explain how individuals can discover the objective ethical or utilitarian principles by which the measurement or evaluation of any corporate policy can be made. These objective principles are said to exist, but what is missing is the metaphysical connection between them and the world of flux. What is also missing is a universal methodology for ascertaining these fixed principles.

This is why philosophers, social philosophers, and political philosophers have debated endlessly over the problem of the one and the many.[25] So far, neither the ontological nor the epistemological existence of the *corporate one* has been reconciled with either the ontological or epistemological existence of the *autonomous many*. Cornelius Van Til spent his career arguing that no reconciliation is possible, given the assumption of each person's autonomy from God.

2. Covenantalism: The Biblical Solution

The biblical solution to this continuing epistemological impasse is theocentric: the ability of a Trinitarian God to impute value to His creation subjectively, an imputation based on His objective handiwork as the Creator and providential Sustainer of the creation. There is no confusion for God. There are no gaps in His understanding. His evaluation is both authoritative and comprehensive.

25. R. J. Rushdoony, *The One and the Many: Studies in the Philosophy of Order and Ultimacy* (Vallecito, California: Ross House, [1971] 2007).

Christian economic theory solves the antinomy of objective value (realism) and subjective value (nominalism) by affirming covenantalism. A totally sovereign God (point one) created the world out of nothing (point two) and then placed it under law (point three). He then assessed the value of His work (point four). He has sustained the universe providentially (point five).

Man is made in the image of God. God delegates (point two) limited sovereignty to man as a steward over the creation. The individual therefore can make judgments by subjectively applying (point four) God's objective value scale (point three) to the objective affairs of men, including economics. Because the work of the law is written on all men's hearts (Rom. 2:14–15), men can make accurate preliminary evaluations of social utility.[26]

Value is both individualistic and subjective. Men act in terms of their own value scales and preferences. Their actions are objective. God can and will evaluate these actions in terms of His own standards. "A good man out of the good treasure of the heart bringeth forth good things: and an evil man out of the evil treasure bringeth forth evil things. But I say unto you, That every idle word that men shall speak, they shall give account thereof in the day of judgment. For by thy words thou shalt be justified, and by thy words thou shalt be condemned" (Matt. 12:35–37).

Ethical decision-making necessarily begins within a framework of individual responsibility before God. Jesus said that which is defiling in life is that which is subjective and internal, not that which is objective and external. "And Jesus said, Are ye also yet without understanding? Do not ye yet understand, that whatsoever entereth in at the mouth goeth into the belly, and is cast out into the draught? But those things which proceed out of the mouth come forth from the heart; and they defile the man. For out of the heart proceed evil thoughts, murders, adulteries, fornications, thefts, false witness, blasphemies: These are the things which defile a man: but to eat with unwashen hands defileth not a man" (Matt. 15:16–20).

God knows the relationship between what is inside a person ethically and what the person does externally in terms of his ethical first principles. "For every tree is known by his own fruit. For of thorns men do not gather figs, nor of a bramble bush gather they grapes. A good man out of the good treasure of his heart bringeth forth that which is good; and an evil man out of the evil treasure of his heart

26. North, *Cooperation and Dominion*, ch. 3.

bringeth forth that which is evil: for of the abundance of the heart his mouth speaketh" (Luke 6:44–45).[27] Nothing is hidden to God. "Ye have heard that it was said by them of old time, Thou shalt not commit adultery: But I say unto you, That whosoever looketh on a woman to lust after her hath committed adultery with her already in his heart" (Matt. 5:27–28).

God makes interpersonal comparisons of subjective utility. For example, He accurately compares the subjective value of a coin to a poor woman with the subjective value of great wealth to a rich man or group of men. "And he looked up, and saw the rich men casting their gifts into the treasury. And he saw also a certain poor widow casting in thither two mites. And he said, Of a truth I say unto you, that this poor widow hath cast in more than they all: For all these have of their abundance cast in unto the offerings of God: but she of her penury hath cast in all the living that she had" (Luke 21:1–4).[28]

What God can do originally, men who are made in His image can do subordinately. God holds each person responsible for evaluating the world in terms of what He has revealed to men objectively in His word, the Bible, and also what He has revealed to them subjectively in their hearts. God also holds entire societies responsible. There is corporate responsibility as well as individual responsibility, which was the message of the prophets and Jesus. "O Jerusalem, Jerusalem, which killest the prophets, and stonest them that are sent unto thee; how often would I have gathered thy children together, as a hen doth gather her brood under her wings, and ye would not!" (Luke 13:34).

Apart from the doctrines of the Trinity (one/many) and the doctrine of man as the image of God, the antinomy between the one and the many will persist. The imputation of value is based on objective standards of evaluation: the law of God, which is both objective (*spoken* by God) and subjective (spoken *by God*). God's law can and does correspond to objective reality, yet it is perceived subjectively. There is objective value, yet it is perceived subjectively. This applies to social theory in general and economic theory in particular. The Bible teaches *methodological covenantalism*, not methodological individualism (the many) or methodological holism (the one). *Covenantalism is the Bible's alternative to both realism and nominalism.*

For post-1870 humanistic economic theory, the doctrine of indi-

27. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 12.

28. *Ibid.*, ch. 50.

vidual subjective imputation is epistemologically central. Christian economics moves the epistemological center to creation. The Creator imputes value subjectively according to His objective law and His objective handiwork. He created the universe day by day, and then imputed value to what He had accomplished at the end of each day. Then He evaluated all that He had done at the end of the sixth day. "And God saw every thing that he had made, and, behold, it was very good. And the evening and the morning were the sixth day" (Gen. 1:31). Men must do the same in their covenantal-judicial capacity as responsible agents of God. Men impute value because God imputes value. Men impute subjectively because God imputes subjectively. Men also impute objectively because God's handiwork is objective. This is the reconciliation of objective and subjective value theory. It is grounded in the activities of God.

Conclusion

The free market social order is the product historically of Christian preaching and Christian institutions. By fostering respect for the family name, Christianity reaffirmed the Hebrew tradition of respect for truth. This created an atmosphere highly favorable to advertising, because *producers are permitted to capture the capital value of a good reputation*. Advertising in turn extended information to a much wider market. The costs of decision-making dropped, the market expanded, and the division of labor increased, thereby lowering the costs of production.

Information costs are inescapable. Men are not omniscient. The Bible warns men against the sin of presumption, the sin of seeking to be God. A godly society recognizes that information is not a free (gratuitous) good. It recognizes the need for establishing institutions that enhance the spread of *accurate, motivating, and self-correcting knowledge*. The West overcame this cost barrier more effectively than any society in history, because the West honored the laws protecting property, including the property right in one's name or company mark. The transmission of more accurate information through advertising, independent testing, and brand-name recognition has created the modern marketplace, with its relative lack of "hard bargaining" between buyers and sellers.

The free market transfers the competitive bargaining process to a far more fair and beneficial system: buyers vs. buyers, and sellers vs. sellers. The better the participants' knowledge of market alter-

natives, the less benefit one bargainer (buyer or seller) has over the other (seller or buyer). *Better information protects the weaker party in any economic exchange*. The face-to-face hard bargaining that characterizes the Middle Eastern bazaar or other trading areas takes *too much time* to conduct transactions, and it puts too great a premium on *monopolistic psychological manipulation*. The average buyer or seller is protected by a broadly based ("impersonal")[29] free market, with its highly developed systems for transmitting accurate knowledge concerning available economic alternatives.

A man's reputation must be protected, for good or evil, whether in a court of law or in the court of public opinion. Whether he is righteous or evil, efficient or incompetent, his reputation should reflect his true condition.

The jury, the church, and the free market are all institutions that *render judgment*. They are required by God to render righteous, accurate judgment. Rendering judgment is basic to the ninth commandment, and parallels the fourth commandment's sabbatical day of judgment by God. Evil men seek continuity not by establishing a righteous family name but instead by means of crime and false testimony. The result is a lack of rest for any society which refuses to judge men by God's standard. Where there is *no true judgment*, there can be *no rest*—none for the wicked, but more to the point, none for the societies that refuse to punish the wicked.

29. On the proper and improper use of the word "impersonal" as it relates to the operations of the free market, see North, *Sovereignty and Dominion*, Ch. 1:D.

30

COVETOUSNESS AND CONFLICT

Thou shalt not covet thy neighbour's house, thou shalt not covet thy neighbour's wife, nor his manservant, nor his maidservant, nor his ox, nor his ass, nor anything that is thy neighbour's.

EXODUS 20:17

The theocentric issue of this law is God's ownership of the creation and His lawful delegation of ownership to individuals and organizations. As the cosmic Owner, He establishes the terms governing ownership. This is one of them.

As the tenth commandment, it is the fifth in the second pair of classifications of the Ten Commandments: kingly mode. It therefore has to do with inheritance: point five of the biblical covenant.[1] Any undermining of a man's capital base threatens the inheritance of his heirs. A successful theft of any part of this inheritance reduces the effect of compounding over time. Theft is a way for covenant-breakers to thwart the effect of the inter-generational expansion of capital under the authority of covenant-keepers. It is an attack on this principle: "A good man leaveth an inheritance to his children's children: and the wealth of the sinner is laid up for the just" (Prov. 13:22).[2]

The sanctions of point four of the biblical covenant are translated into kingdom results through inheritance. So, in the battle in history between the two kingdoms, the compounding of a covenant-keeper's

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Dallas, Georgia: Point Five Press, [1988] 2012) ch. 5.

2. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 41.

capital base is a means of dominion for God's kingdom. Any attempt to thwart this expansion should be regarded as hindering God's kingdom for the sake of Satan's kingdom.

A. Covetousness as Uncontrolled Lusting

Covetousness, biblically speaking, refers to an illicit craving of another person's possession, including his station in life. It can also involve the actual theft of someone else's property, either by force or by fraud. Achan, a thief who stole what belonged to God's temple, explained his actions.

> When I saw among the spoils a goodly Babylonish garment, and two hundred shekels of silver, and a wedge of gold of fifty shekels weight, then I coveted them, and took them; and, behold, they are hid in the earth in the midst of my tent, and the silver under it (Joshua 7:21).

The prophet Micah explained why God was angry at Israel.

> And they covet fields, and take them by violence; and houses, and take them away: so they oppress a man and his house, even a man and his heritage (Micah 2:2).

There is a problem in dealing with the biblical concept of covetousness. The tenth commandment groups together several forms of coveted property: a neighbor's wife, manservant, maidservant, and work animals. The problem here is trade. Why would men come together and trade if they were not desirous of purchasing each other's goods? Not every exchange is preceded by an announcement, "goods for sale." Sometimes men see an item that belongs to another, and they approach the potential seller to offer an exchange. Obviously, when men accept someone's offer to buy, they are acknowledging that they prefer to own the goods being offered by someone else. They were not committed to permanent ownership of their goods.

The sale of a wife is obviously illegal.[3] A man is not permitted by God to lust after another man's wife. No exchange here is legitimate. But why should the same prohibition restrict the exchange of, say, gold for work animals? Why should it be immoral to offer to buy the services of work animals on a permanent basis? True, the manservant or maidservant may be permanently associated with a particular fam-

3. The practice of selling wives at auction went on in Great Britain until the late nineteenth century. The practice was not sanctioned by the authorities, but it persisted in rural areas. Samuel P. Menefee, *Wives for Sale: An Ethnographic Study of British Popular Divorce* (Oxford: Basil Blackwell, 1981).

ily. The permanent slave in the Old Testament voluntarily decided to undergo the pierced ear ritual (the shedding of blood) in order to become part of a family (Deut. 15:16–17). He was unsalable. But other servants could be sold. Why, then, the prohibition against coveting these others? Bargains are made constantly, including the sale of Esau's birthright, which Jacob unquestionably desired.[4]

So, what sense can we make of the commandment? A passage in Micah throws light on the usage of the Hebrew word for coveting. Covetousness involves *uncontrolled lusting*, a desire that can be satisfied only by possessing the other man's property. It is the kind of lusting that is involved in adultery, where the desire cannot legitimately be fulfilled, yet it persists. It is a desire that results in lawlessness when it is not thwarted, a desire that will not take "no" for an answer. "Woe unto them that devise iniquity, and work evil upon their beds! When the morning is light, they practice it, because it is in the power of their hand. And they covet fields, and take them by violence; and houses, and take them away: so they oppress a man and his house, even a man and his heritage" (Micah 2:1–2).[5] It is the kind of desire that resulted in Ahab's unlawful confiscation of Naboth's vineyard (I Kings 21).[6] The man with power uses that power, despite the protection given to the original owner by the biblical laws regarding property.

The prohibition against covetousness therefore does not deal primarily with envy, meaning envy in the sense of resentment against the success of others. The covetous person really is intent upon obtaining the other man's property. Covetousness, in the biblical view, is an illicit form of jealousy. The attack against the other man's property is not motivated by a desire only to tear down his property, but to confiscate it.

The covetous person resents his own station in life. Someone else possesses what he wants. He is dissatisfied with the role he is playing in God's plan. Paul condemns this resentment against one's station in life (I Cor. 7:21–22).[7] One person desires another's good looks,

4. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 26.

5. Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 25.

6. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: Point Five Press, 2012), ch. 22.

7. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 8.

prestige, or worldly possessions. He feels thwarted by his own limitations, and therefore thwarted by his environment. God has thwarted his personal development, the covetous man is asserting. The Bible teaches that the other person is working out his salvation (Phil. 2:12) or damnation before God. His property must be respected. Nevertheless, the covetous man thinks that he can appropriate for himself the fruits of the other man's labor, as if those fruits were unrelated to that man's personal responsibility before God as a steward.

B. Downward Social Mobility

Another aspect of this jealousy is overlooked by most commentators. Covetousness can also be directed downward, toward those who have fewer goods and therefore fewer responsibilities. This can be seen in the social phenomenon known as the drop-out mentality. In the late 1960s, for example, the sons and daughters of the middle classes and the wealthy were on the road, all over the Western world. They hitchhiked, as if they were poor. They adopted the dress codes of poor people, wearing the faded blue denim jeans of field hands.[8] They would even bleach their new, dark blue jeans, to give them an instant fade.[9] Blue jeans became so associated with Western culture that they commanded a high price—a black market price—in Iron Curtain nations, especially the Soviet Union. Young people adopted the lifestyle of nomads—unwashed drifters who refuse to face the responsibilities of dominion. Those with wealth and responsible callings became "primitive," in an attempt to escape the burdens associated with economic stewardship. They wanted others to take the risks and bear the responsibilities.

The Bible prohibits men from escaping lawful callings, unless they are upgrading their responsibilities. A slave is authorized to take his freedom, if and when it is voluntarily offered by his master, either free of charge or by sale (I Cor. 7:21). The idea is to extend God's rule into every area of life, and men are not to turn their backs on this task simply because a particular calling looks as though it would involve too much responsibility. *It is important for each person to evaluate his own*

8. The original blue jeans were sold by the Levi Strauss Company during the gold rush days in California in the 1850s. Hence the almost generic name, "Levis." The pants were marketed as being especially durable, a desirable feature in the opinion of gold miners.

9. The 1970s brought a fusion of symbols: "designer" jeans. These were blue denim jeans that bore the name of famous rich people or famous designers, and brought three or four times the price of a pair of normal blue jeans.

capabilities accurately, and then to match these capabilities with his calling before God—his highest, most productive calling. God calls men to be imitators of His son, Jesus Christ, to conform themselves to Christ's image (I Cor. 15:49). They are to work out the salvation that God gives them, and they are to do this with fear and trembling (Phil. 2:12).[10] This kind of steady improvement involves *upward mobility*: spiritual improvement above all, but also economic and social mobility. The individual may not see himself advancing economically, but over generations, the spiritual heirs of a man will advance economically. The wealth of the wicked is laid up for the just (Prov. 13:22).[11] Upward mobility must be in terms of God's calling—service to God—and not simply in terms of amassing wealth (I Tim. 6:6–10).[12] We are to imitate godly examples (I Cor. 11:1),[13] but we are not to worry about "keeping up with the Joneses" in a purely material sense.

C. Political Covetousness

The commandment against covetousness refers to an individual who looks longingly at his neighbor's property. *The beginning of covetousness is clearly the human heart* (James 3:14–16). Men want goods that they have neither earned nor inherited. Their relationships with their neighbors cannot possibly be in conformity to God's law when such feelings are present in their hearts. The fact that one man possesses goods that are confiscatable in the eyes of his neighbor will disrupt their relationship. The possessor will be seen by the covetous man as an illegitimate owner, someone who has no right, under God, to maintain control over his possessions.

The commandment has implications beyond the local neighborhood. *When covetousness becomes widespread, the next step is political coercion*. The very usage of the words, "to covet," implies violence. The covetous man will not limit his attempt to gain control of another man's property to an offer to purchase. Like Ahab, who was determined to gain control of Naboth's vineyard when Naboth refused to sell, the covetous man seeks to coerce his neighbor. When this cannot be done with the connivance of the police—outright oppression or theft—then he seeks to gain control of the civil government. Covet-

10. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 20.

11. North, *Wisdom and Dominion*, ch. 41.

12. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 10.

13. North, *Judgment and Dominion*, ch. 14.

ous men can join forces and encourage the civil government to adopt policies of wealth redistribution.

The *monopoly of legal violence* that is possessed by the civil government can then be turned against property owners. Those within the civil government can gain control over people's assets. They can then use them personally, or inside a government bureau, or distribute them to political special-interest groups. Political covetousness is a manifestation of *unrestrained desire* and the *threat of violence*. When the civil government becomes an instrument of covetousness, its monopoly of violence increases the danger of theft. A new commandment is adopted: "Thou shalt not covet, except by majority vote." What private citizen can effectively defend his property against unjust magistrates? Naboth died in his attempt to keep that which was his by law—God's law.

The misuse of the civil government in this way is doubly evil. First, it violates the principle of responsible stewardship. Second, it misuses the office of magistrate. *The spread of covetousness cannot be restrained by the magistrate when the structure of civil government is deeply influenced by political covetousness*. The old warning against putting the foxes in charge of the chicken coop is accurate. When the state becomes the agent of widespread covetousness, the whole society is threatened. *Waves of power struggles ensue, for each special-interest group recognizes that it must gain control of the primary agency of wealth redistribution*. The more power that is offered to the controllers by means of statist coercive mechanisms, the more ferocious is the struggle to gain access to the seats of power. Central planning rewards ruthlessness. F. A. Hayek spoke plainly concerning the awful implications of unlimited state power: *the worst get on top*. These two paragraphs are among the most important in the history of political theory. He describes the motivation of those who implement socialist central economic planning.

> But while for the mass of the citizens of the totalitarian state it is often unselfish devotion to an ideal, although one that is repellent to us, which makes them approve and even perform such deeds, this cannot be pleaded for those who guide its policy. To be a useful assistant in the running of a totalitarian state, it is not enough that a man should be prepared to accept specious justification of vile deeds; he must himself be prepared actively to break every moral rule he has ever known if this seems necessary to achieve the end set for him. Since it is the supreme leader who alone determines the ends, his instruments must have no moral convictions of their own. They must, above all, be unreservedly committed to the person of the leader; but next to this the most important thing is that they should be completely

> unprincipled and literally capable of everything. They must have no ideals of their own which they want to realize; no ideas about right or wrong which might interfere with the intentions of the leader. There is thus in the positions of power little to attract those who hold moral beliefs of the kind which in the past have guided the European peoples, little which could compensate for the distastefulness of many of the particular tasks, and little opportunity to gratify any more idealistic desires, to recompense for the undeniable risk, the sacrifice of most of the pleasures of private life and of personal independence which the posts of great responsibility involve. The only tastes which are satisfied are the taste for power as such and the pleasure of being obeyed and of being part of a well-functioning and immensely powerful machine to which everything else must give way.
>
> Yet while there is little that is likely to induce men who are good by our standards to aspire to leading positions in the totalitarian machine, and much to deter them, there will be special opportunities for the ruthless and unscrupulous. There will be jobs to be done about the badness of which taken by themselves nobody has any doubt, but which have to be executed with the same expertness and efficiency as any others. And as there will be need for actions which are bad in themselves, and which all those still influenced by traditional morals will be reluctant to perform, the readiness to do bad things becomes a part to promotion and power. The positions in a totalitarian society in which it is necessary to practice cruelty and intimidation, deliberate deception and spying, are numerous. Neither the Gestapo nor the administration of a concentration camp, neither the Ministry of Propaganda nor the S.A. or S.S. (or their Italian or Russian counterparts), are suitable places for the exercise of humanitarian feelings. Yet it is through positions like these that the road to the highest positions in the totalitarian state leads.[14]

Hayek's book was intended to demonstrate how totalitarian societies develop out of the attempt by socialist planners to mold the economy into a centrally directed framework. He argued that, in socialist theory, nothing must deviate from the central economic plan, since human freedom will thwart any such plan. Thus, the power to redistribute wealth in accordance to some preconceived central plan eventually destroys human freedom and therefore thwarts personal responsibility to act as a steward under God. *Covetousness, when legislated, becomes a major foundation of totalitarianism*.

Hayek's little book evoked outraged cries of "foul!" from statist intellectuals when it first appeared in 1944. Herbert Finer's *Road to Reaction* (1948) is perhaps the best example.[15] But, year by year, decade

14. F. A. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1944), pp. 150–51.

15. By then, they both taught at the University of Chicago.

by decade, *The Road to Serfdom* has grown in stature, until it is now considered a classic. It stays in print. From the beginning, it served as the financial backbone of the University of Chicago Press' paperback division. In contrast, almost no one remembers Herbert Finer.[16] In the mid-1980s, four decades after the *Road to Serfdom* appeared, and a decade after Hayek won the Nobel Prize in economics, academic opinion leaders began to catch up with the wisdom of the average book buyer, who made *Road to Serfdom* a best-seller in 1944. (It even appeared in the *Reader's Digest* in 1945 as a condensed book.)[17] After the fall of the Soviet Union (1991), Hayek's position became part of the conventional wisdom. He died in 1992.

D. Beyond the Tithe

The civil government is to be restrained by biblical law. The warning of Samuel against the establishment of a human kingship stands as a classic statement of what earthly kingdoms involve. The king will draft sons to serve in his armed forces. He will conscript daughters to serve as cooks and confectioners. He will confiscate the best agricultural land. He will impose a tithe on the flocks. In short, the king will collect a tithe for himself (I Sam. 8:11–19).[18] The Hebrew state, Samuel promised, will be such a burden on them that they will cry out to God to deliver them, but He will not do it (v. 18). By denying God and His law-order, the Hebrews placed themselves under the sovereignty of man, and this sovereignty was centralized in the civil government. It is an ungodly state that demands tax payments as large as ten percent, God's tithe, let alone a state that requires more than God's tithe. Such a state has elevated itself to the position of a god. It is a false god. It is demonic.

Civil governments ever since World War I have found that a "mere ten percent" is not sufficient to finance massive programs of domestic and international wealth redistribution. Virtually all modern Western civil governments impose taxes of over 40%—national, regional, and local—which is twice that imposed by the tyrannical bureaucracy of Egypt (Gen. 47:23–24). The allocations for welfare programs—wealth redistribution—are at least double the combined allocations

16. His Wikipedia entry is a stub (2012).

17. F. A. Hayek, "The Road to Serfdom," Readers' Digest (April 1945). Reprinted in Hayek, *The Road to Serfdom with The Intellectuals and Socialism* (London: Institute for Economic Affairs, 2005).

18. North, *Disobedience and Defeat*, ch. 14.

for national defense and the law enforcement system. What we saw in the twentieth century was the creation of a universal system of *legislated covetousness*. Biblical law was ignored, even as Christians have ignored the principle of the tithe.[19] Steadily, political freedoms were removed. The after-tax income of the citizenry has been reduced systematically, leaving men with fewer resources to use in stewardship programs of voluntary charity. The civil government has steadily supplanted churches and voluntary associations as the primary agent of charity—a compulsory charity which is in fact a form of state-operated serfdom. The difference is this: The non-working servants (welfare recipients) are controlled by the state,[20] and the working servants who support them are also controlled by the state. *Massive, unrelenting political covetousness has led to universal enslavement*.

E. Social Cooperation

When men do not trust their neighbors, it becomes expensive for them to co-operate in projects that would otherwise be mutually beneficial to them. They hesitate to share their goals, feelings, and economic expectations with each other. After all, if a man is known to be economically successful in a covetous society, he faces the threat of theft, either by individuals or bureaucrats. He faces the hostility of his associates. He faces others on a regular basis who are determined to confiscate what he has. The obvious response is to conceal one's success from others. But this also means concealing one's economic expectations. *Planning becomes clothed in secrecy*. The planning agency of the family limits its goals. Disputes between families increase, since families cannot easily cooperate under such circumstances. The future is a topic of discussion only in vague terms, except in the privacy of family economic planning councils. The social division of labor is thwarted, and the future-orientation of communities is drastically reduced, since men refuse to discuss plans openly.[21]

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19. Gary North, *Tithing and the Church* (Tyler, Texas: Institute for Christian Economics, 1994). Gary North, *The Covenantal Tithe* (Powder Springs, Georgia: American Vision, 2011).

20. Star Parker, *Uncle Sam's Plantation* (Nashville, Tennessee: WND Books, 2003).

21. What Schoeck wrote concerning envy applies equally well to legislated covetousness: "Ubiquitous envy, fear of it and those who harbour it, cuts off such people from any kind of communal action directed towards the future. Every man is for himself, every man is thrown back upon his own resources. All striving, all preparation and planning for the future can be undertaken only by socially fragmented, secretive beings." Helmut Schoeck, *Envy: A Theory of Social Behavior*, trans. Glenny and Betty Ross (New York: Harcourt, Brace & World, [1966] 1970), p. 50.

Bible commentators are conspicuously vague about the precise meaning of covetousness. They link it with theft, especially Ahab's theft of Naboth's vineyard. They link it with envy in the sense of resentment. But one insight that Charles Hodge offered, which was followed by Herman Hoeksema, is this: above all, covetousness is *discontent with one's position in life*. Hodge wrote: "Thou shalt not inordinately desire what thou hast not; and especially what belongs to thy neighbor. It includes the positive command to be contented with the allotments of Providence; and the negative injunction not to repine, or complain on account of the dealings of God with us, or to envy the lot or possessions of others." Hodge did not have in mind any otherworldly or mystical rejection of property. As he said in the next section: "The command to be contented does not imply indifference, and it does not enjoin slothfulness. A cheerful and contented disposition is perfectly compatible with a due appreciation of the good things of this world, and diligence in the use of all proper means to improve our condition in life."[22] He cited Philippians 4:11: "I have learned, in whatsoever state I am, therewith to be content." He could have continued quoting Paul's words: "I know both how to be abased, and I know how to abound: every where and in all things I am instructed both to be full and to be hungry, both to abound and to suffer need. I can do all things through Christ which strengtheneth me" (Phil. 4:12–13). [23] *Any external condition is acceptable to the man who is content with his present role in God's plan for the ages*. But owning little is usually the condition against which men rebel. Paul is clear on this point: "But godliness with contentment is great gain. For we brought nothing into this world, and it is certain we can carry nothing out. And having food and raiment let us be therewith content" (I Tim. 6:6–8). The rich have many temptations (I Tim. 6:9–10).[24]

Hodge saw the other aspect of covetousness: *envy*. Again, I think this aspect is overemphasized in explaining this verse, although the fact that commentators have focused on it in the past testifies to the historical importance of Christian preaching against envy, even though in the context of the tenth commandment it is not completely appropriate. Hodge's words show that he fully understood the meaning of envy as *resentment*, and that he distinguished this aspect of envy

22. Charles Hodge, *Systematic Theology*, 3 vols. (Grand Rapids, Michigan: Eerdmans, [1872] 1960), III, p. 468.

23. North, *Ethics and Dominion*, ch. 23.

24. North, *Hierarchy and Dominion*, ch. 11.

from covetousness as the desire to confiscate another man's property for one's own use.

> The second form of evil condemned by this commandment is envy. This is something more than an inordinate desire of unpossessed good. It includes regret that others should have what we do not enjoy; a feeling of hatred and malignity towards those more favoured than ourselves; and a desire to deprive them of their advantages. This is a real cancer of the soul; producing torture and eating out all right feelings. There are, of course, all degrees of this sin, from the secret satisfaction experienced at the misfortunes of others, or the unexpressed desire that evil may assail them or that they may be reduced to the same level with ourselves, to the Satanic hatred of the happy because of their happiness, and the determination, if possible, to render them miserable. There is more of this dreadful spirit in the human heart than we are willing to acknowledge. Montesquieu says that every man has a secret satisfaction in the misfortunes even of his dearest friends. As envy is the antithesis of love, it is of all sins that most opposed to the nature of God, and more effectually than any other excludes us from his fellowship.[25]

It is clear that Hodge regarded envy as the most dangerous of all the sins. *It was this kind of preaching, generation after generation, that made possible the economic development of the Protestant West.* It was the absence of such preaching in the twentieth century that damaged the economic institutions of Western capitalism—the source of the West's productivity.

Hoeksema also identified covetousness as *discontent*.

> The sin of covetousness is the desire to possess anything apart from God, against His will; anything that he does not give me and that evidently He does not want me to have. . . . If the sin of covetousness could be rooted out of society, most of our economic problems would be solved. Covetousness is the root of all the sinful unrest in society. The same is true of international life and relationships; if the sin of covetousness were not so deeply rooted in the heart of the depraved man, most wars, if not all, would be eliminated. Take covetousness away, and there would be no reason for men to fly at one another's throats, and you could hardly conceive of the possibility of war. . . . Positively, this means, of course, that the tenth commandment enjoins us to be content with what we have. Christian contentment is perfect satisfaction with what one has, for the sake of God in Christ Jesus our Lord, and that, too, in the midst of a corrupt and covetous world.[26]

25. Hodge, *Systematic Theology*, III, pp. 464–65.

26. Herman Hoeksema, *The Triple Knowledge: An Exposition of the Heidelberg Catechism*, 3 vols. (Grand Rapids, Michigan: Reformed Free Publishing Association, 1972), III, pp. 427–28.

Hoeksema was correct: *Discontent is the heart of sin's problem, beginning with Satan's discontent with God's sovereignty*. Discontent is an aspect of all sin, for if men were contented with righteousness and the fruits of righteousness, they would not rebel against God. *Covetousness is a specific form of discontent*: the desire to possess another's goods at all cost, including the other man's loss. As Matthew Poole, the Puritan commentator, wrote in the seventeenth century, covetousness is the "inward and deliberate purpose and desire of a deceitful or violent taking away of another man's goods; but this is forbidden in the eighth commandment."[27] Theft is forbidden; covetousness is the *inward desire* that leads to theft or fraud. It is the evil desire that overwhelms the law's restraint on the sinner, the desire to have another man's property, whether or not the other man benefits from the transaction. Voluntary exchange offers the other man an opportunity. He may not have known of the opportunity. He may not have known of a person's willingness to part with some resource in order to obtain what he, the owner, possesses. It is not immoral to offer another person an opportunity, unless the opportunity is innately immoral (such as offering to buy his wife's favors). *Covetousness is the lawless desire to take the other man's property, whether or not he finds the transaction beneficial*. When covetousness is common, men lose faith in their neighbors, in the social and political structure that protects private property, and in the benefits offered by the division of labor. Covetousness threatens the very fabric of society.

The tenth commandment was given to us so that we might enjoy the fruits of *social peace and social co-operation*. This is equally true of the earlier commandments. The law-order of the Bible is a means of *reducing conflict* and *extending the division of labor*. Greater efficiency becomes possible through the division of labor. Whatever contributes to social peace thereby tends to increase per capita productivity, and therefore per capita income. People have an economic incentive to co-operate. The Bible's prohibition against covetousness increases social co-operation by reducing its costs. In other words, more co-operation is demanded because its price drops. One of the social institutions that results from such a prohibition is the free market. It, too, is an institution that furthers social co-operation.

It is significant that the prohibition against covetousness begins with the mind of man. There is no means of enforcing any civil law

27. Matthew Poole, *Commentary on the Whole Bible*, 3 vols. (London: Banner of Truth Trust, [1683] 1968), I, p. 160.

against thoughts, but God's law applies to men's thoughts. Because the very concept of covetousness involves the threat of violence and oppression, the *outworkings of covetousness* can be controlled by civil law, assuming the civil government has not been corrupted by a philosophy of universal legislated covetousness. The costs of policing the visible manifestations of covetousness are high. By focusing on the hearts of men, the Bible reduces the costs of law enforcement.

Men are to be taught from an early age that covetousness is a sin against God. These instruction costs are to be borne initially by the family (Deut. 6:7). By making men aware of God's hostility to covetousness, teachers of biblical law reduce the need for heavy taxation, either for law enforcement against visible, coercive oppressors, or for programs of legislated covetousness, i.e., "social welfare" programs. By helping to increase the social division of labor, the *internalization of the law against covetousness* helps to increase per capita output, also reducing thereby the proportion of income going to support law enforcement. The society is blessed in two ways: reduced crime, including the crime of statist wealth redistribution programs, and increased output per capita. *Men wind up with more wealth after taxes. They increase their opportunities for responsible action before God and men.*

F. The Modern Welfare State[28]

The twentieth century, after the outbreak of World War I in 1914, abandoned the tenth commandment. Divorce and remarriage of the sinful partner became common events. Men today covet their neighbors' wives. They covet their neighbors' goods. (Coveting a man's goods is certainly less of a threat to the integrity of his family unit than the coveting of his wife.) The rise of massive taxation, including the inflation tax, has led to the spread of covetous political programs. The graduated income tax, with its increasingly burdensome rates of taxation for those with higher income, has been proclaimed in the name of social justice, even Christian social justice.[29] Nevertheless,

28. The phrase "welfare state" first attained prominence in 1949, wrote historian Sidney Fine, and has come to be associated in the United States with the administration of President Harry Truman, 1945–53: Sidney Fine, *Laissez Faire and the General Welfare State: A Study of Conflict in American Thought, 1865–1901* (Ann Arbor: University of Michigan Ann Arbor Paperback, [1956] 1964), Preface.

29. John C. Bennett, who taught ethics at Union Theological Seminary in New York, and who served as president of that institution, wrote concerning needed social reforms: "The third reform is changes in the tax system that would close loopholes for the rich and in many ways bring about a more equal distribution of wealth. The adoption of the idea of a progressive income tax was in itself an early breakthrough of

the combination of graduated income taxation, the psychology of debt, and the control of money by the state and its licensed agents, the banks, led to relentless taxation of the middle classes.[30] Men are tempted to vote for more wealth redistribution programs, and then they are tempted to pay for them by means of monetary inflation. This enables both individuals and the state to repay loans with depreciated money. "A little inflation" seems to be beneficial in the early years, since it fosters an economic boom.[31] It involves the destruction of the creditors' interests, but who cares about creditors?

Yet most middle-class citizens are creditors. When they vote, they may not fully understand this, failing to grasp its implications for their economic futures, but they are creditors nonetheless. They hold *paper certificates of ownership for future payments of paper money*. They extend mortgages to home buyers, they invest in pension programs, they buy cash-value life insurance, and they buy annuities. Worst of all, at least before the public catches on, they own long-term bonds, especially government bonds. The economist, Franz Pick, called government bonds "certificates of guaranteed confiscation." The result is the *universal expropriation* of these classes of investors when mass inflation strikes. Everyone is pushed into higher income levels, which means that people are forced to pay a higher percentage of their nominal (meaning their paper money-denominated) incomes to the state. The result of these three features of economic life—graduated income taxes, universal debt, and fiat money—is the eventual de-capitalization of the middle class. Yet it was the middle class in the twentieth century that voted for these programs of legislated covetousness. They set a trap for the rich, but inflation subsequently made *them* nominally rich. God will not be mocked.

Christians will someday read about the twentieth century and will marvel at the unwillingness of Christian intellectuals to challenge the economic policies of the welfare state. Worse: Christian intellectuals all too often defended such policies, or even called for an expansion of them.[32] Future generations will not understand why programs of

great importance." Bennett, *The Radical Imperative: From Theology to Social Ethics* (Philadelphia: Westminster Press, 1975), p. 153.

30. James Dale Davidson, *The Squeeze* (New York: Summit Books, 1980).

31. Ludwig von Mises, *Human Action: A Treatise on Economics* (New Haven, Connecticut: Yale University Press, 1949), ch. 20.

32. See, for example, Ronald J. Sider, *Rich Christians in an Age of Hunger*: *A Biblical Study*, 2nd ed. (Downers Grove, Illinois: InterVarsity, 1981). For a refutation, see David Chilton, *Productive Christians in an Age of Guilt-Manipulators: A Biblical Response to Ronald J. Sider*, 4th ed. (Tyler, Texas: Institute for Christian Economics, 1985). See also the

legislated covetousness were not decried as violations of the tenth commandment. They will be astounded to learn that spiritual leaders in every nation not only approved of such policies, but actively sought to have them enacted into law. The ethics of anti-biblical humanism permeated the thinking of twentieth-century Christians, so that the opposition to compulsory wealth redistribution programs generally did not come from Christian leaders, but has come from humanists who were defenders of nineteenth-century economic liberalism—a perspective that itself was a secularized and Darwinian version of biblical social ethics.[33]

What has been called "the climate of opinion" in any given era is a powerful social force. This is why it is imperative that Christians develop and implement a systematically biblical social philosophy. Because Christians have neglected this critically important task, the secularists have taken the lead in setting the climate of social opinion. This climate of opinion has subsequently influenced the thinking of Christian intellectual leaders. The dominant conclusions of the god of humanism, autonomous mankind, have become the standards for Christian thinkers and policy-makers.

Not all Christian scholars are socialists, of course, but a favorable attitude toward the welfare state is a widely held opinion in Christian circles. Most Christians insist that any economic framework is acceptable to God (other than one based explicitly on biblical law), just so long as Christians have the right to preach the gospel of personal salvation. But they are faced with a theoretical question: By what standard can a Christian legitimately conclude that all economic frameworks are acceptable to Christ? Furthermore, *if any and all social and economic frameworks are legitimate before God, then in what way can the preaching of the gospel influence the social institutions of the day*? How can these institutions be reformed? And if they do not need reform, how is it that rebellious, sinful men have succeeded in creating social institutions that are not in need of reconstruction? How, in short, can Christians avoid constructing a social order on the shifting sands of warring humanist philosophies, special-interest groups, power-seekers, and contradictory social and political programs? Is the Bible irrelevant to social institutions?

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essay by John Gladwin, in Robert Clouse (ed.), *Wealth and Poverty: Four Christian Views of Economics* (Downers Grove, Illinois: InterVarsity, 1984), and my response to his essay.

33. North, *Sovereignty and Dominion*, Appendix B: "The Evolutionists' Defense of the Market."

Conclusion

Social peace is a major goal of biblical law—the social peace demanded by the prophet Isaiah: "They shall not hurt nor destroy in all my holy mountain: for the earth shall be full of the knowledge of the Lord, as the waters cover the sea" (Isa. 11:9). *The juridical foundation of such peace is biblical law*. The Ten Commandments serve as the basis of long-term, God-blessed social peace.

One important aspect of biblical social peace is the absence of covetousness—in the hearts of men, in the relationships between neighbors, and in the legislation of civil governments. A covetous person's discontent with his station in life makes it impossible for him to have personal peace. This lack of personal peace spreads to society as a whole when covetousness becomes universalized through the political process. Where political covetousness reigns, there can be no social peace. There also cannot be personal freedom.

The covetous person disrupts social peace, just as the satanic magician and thief do. The sinner covets that which he has not lawfully earned or lawfully inherited. Nevertheless, he wants the other man's patrimony or inheritance. He may not steal it outright, but he lusts after it.

The tenth commandment is framed in terms of neighboring families. It implies that peace must begin at home. The peace-breaker begins locally. The covetous man wants the other person's house, wife, and goods. He cannot lawfully have all of these, and even the goods must be bargained for. The jubilee year in Israel guaranteed that the house would eventually return to the lawful family heirs (Lev. 25), and the law against adultery protected every wife. The eighth commandment protected men's goods, although goods could be exchanged. The lawful heirs inherited. The tenth commandment therefore parallels the fifth, which is also concerned with the question of legitimacy and inheritance, although the seventh and eighth commandments also add their force to the tenth.

The dominion covenant requires men to obey God's laws of inheritance. To gain social peace, these laws must be honored. The lack of social peace in the modern world testifies to the unwillingness of men, as mandated through covenantal institutions, to respect God's laws of inheritance. The modern world has institutionalized covetousness politically.

CONCLUSION

Ye shall therefore keep my statutes, and my judgments: which if a man do, he shall live in them: I am the Lord *your God.*

LEVITICUS 18:5

The Ten Commandments set forth *God's laws of life*. They do not provide life, but they set forth the standards of life. This is why Jesus Christ came to earth to fulfill the terms of the law (Matt. 5:17–19).[1] Without His willingness and ability to obey these laws, in time and on earth, God would not have granted eternal life, or even temporary earthly life, to any law-breaker. Jesus Christ's perfect obedience in history is the foundation of God's common grace to the world.[2]

These ten laws were presented to the Israelites by God in the form of a covenant treaty.[3] Men inescapably live in terms of covenants: either before God or before Satan, and always with each other. Thus, these laws of life are necessarily covenantal laws, both social and personal, both general and particular.[4] What are the *covenantal goals* of God's laws of life in society? *Social peace and economic blessings*: "peace and prosperity." There is no other way to interpret Deuteronomy 28:1–14: The list of external and internal blessings is comprehensive. Furthermore, the list of cursings is long and threatening: Deuteronomy 28:15–68. What we need to understand is that *God's Bible-revealed law-order is intended to create conditions leading to peace, harmony, and wealth*.

1. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Goergia: Point Five Press, [2001] 2012), pp. 358–70.

2. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

3. Meredith G. Kline, *The Structure of Biblical Authority*, rev. ed. (Grand Rapids, Michigan: Eerdmans, 1975), pp. 113–71.

4. James B. Jordan, *The Law of the Covenant: An Exposition of Exodus 21–23* (Tyler, Texas: Institute for Christian Economics, 1984), ch. 1.

The Ten Commandments also lay down the religious, legal, and economic foundations that are necessary for the creation and long-term maintenance of a free market economy. In other words, obeying the basic principles of the Ten Commandments is both necessary and sufficient for the creation of a capitalist economy. Humanistic free market economists reject the first assertion—"necessary"—since they want a free market without God, while "Christian" socialist theologians reject the second—sufficient—since they want God without a free market.

Whenever the Ten Commandments are enforced by agencies of human government, men will gain freedom. Economic freedom of contract and freedom from excessive taxation and bureaucratic interference produce that social order that we call the market society. This is why the Christian West was the first society to create national and regional economies called capitalistic. This is why long-term economic growth came originally only in the West, and then in those nations that have traded with the West and have imitated some of its institutional and legal arrangements. But if the goal of the Bible is social peace under God's covenants, and if the free market economy has been not only the logical result of the Ten Commandments but also the historic product of Christianity, then a controversial conclusion follows: *Biblical social order and free market capitalism are a "package deal."* Societies cannot attain the kind of long-term, compounding expansion that is required by the dominion covenant without the social, moral, and legal foundations that are established by law in the Ten Commandments. Humanistic free market economists refuse to believe this, and so do "Christian" socialists.

A. The Ten Commandments and Capitalism

The Ten Commandments as *a unified whole* offer mankind the moral basis of a progressive society. I am not arguing that it is only the eighth commandment, with its prohibition against theft, that sets forth such a view of private ownership. The Ten Commandments have provided mankind with the deeply theological faith that has produced Western prosperity.

God as sovereign over the creation[5]

Faith in the healing power of God's law[6]

5. Chapter 21; Chapter 23:A:1,3.
6. Chapter 21:D–F.

Personal stewardship before God and other men[7]

Legal responsibility for one's actions[8]

Faith in permanent laws[9]

Faith in economic cause and effect[10]

Faith in ethical power over magical power[11]

Faith in work rather than luck[12]

Faith in the productiveness of rest[13]

Faith in the covenantal family (family name)[14]

Optimism concerning the future (linear history)[15]

The possibility of compound economic growth[16]

Defense of the private ownership of both the means of production and the fruits of production[17]

Future-orientation[18]

The sanctity of covenants and the analogous and derivative legitimacy of contracts[19]

Social co-operation through private contracts[20]

The illegitimacy of covetousness and envy[21]

The legitimacy of civil government as a monopolistic agent of law enforcement, but not wealth redistribution[22]

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7. Chapter 28:B, I.
8. Chapter 22:C:1–2.
9. Chapter 14:F–G, pp. 306–7.
10. Chapter 21:B.
11. Chapter 22:B.
12. Chapter 22:C:3:(c).
13. Chapter 24.
14. Chapter 25; Chapter 27:C; Chapter 29:B:2.
15. Chapter 22:C; Chapter 25.
16. Chapter 22:C; Chapter 23; Chapter 25:D.
17. Chapters 27, 28.
18. Chapter 28:I.
19. Chapter 23:D–E.
20. Chapter 23:D; Conclusion; Chapter 27:D.
21. Chapter 20.
22. Chapter 25:E; Chapter 28:F; Chapter 30:C.

Penalties against slander as theft[23]

Salvation by grace, not law (or legislation)[24]

When we compare these premises with the underlying premises of backward societies, we find almost a perfect reverse image. *The society of Satan also has first principles*. A list of the major "tenets of backwardness" was provided by P. T. Bauer, a specialist in developmental economics, and a devout Roman Catholic. He did so in one sentence.

> Examples of significant attitudes, beliefs and modes of conduct unfavourable to material progress include lack of interest in material advance, combined with resignation in the face of poverty; lack of initiative, self-reliance and a sense of personal responsibility for the economic future of oneself and one's family; high leisure preference, together with a lassitude often found in tropical climates; relatively high prestige of passive or contemplative life compared to active life; the prestige of mysticism and of renunciation of the world compared to acquisition and achievement; acceptance of a preordained, unchanging and unchangeable universe; emphasis on performance of duties and acceptance of obligations, rather than on achievement of results, or assertion or even a recognition of personal rights; lack of sustained curiosity, experimentation and interest in change; belief in the efficacy of supernatural and occult forces and of their influence over one's destiny; insistence on the unity of the organic universe, and on the need to live with nature rather than conquer it or harness it to man's needs, an attitude of which reluctance to take animal life is a corollary; belief in personal reincarnation, which reduces the significance of effort in the course of the present life; recognized status of beggary, together with a lack of stigma in the acceptance of charity; opposition to women's work outside the household.[25]

I have not seen a single sentence that more comprehensively describes the mental outlook of primitivism, whether in Africa or the sociology department of an American university.

1. Haters of the West

When I cited this passage in an essay defending free market capitalism,[26] "radical Christian" Art Gish was outraged: "It troubles me

23. Chapter 29:C.

24. Chapter 21:F.

25. P. T. Bauer, *Dissent on Development: Studies and debates in development economics* (Cambridge, Massachusetts: Harvard University Press, 1972), pp. 78–79.

26. Gary North, "Free Market Capitalism," in Robert Clouse (ed.), *Wealth and Poverty: Four Christian Views on Economics* (Downers Grove, Illinois: Inter Varsity Press, 1984). This essay is reprinted in Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), Appendix E.

then that North expresses an elitist, if not racist, view that Western values are superior to Third World values, that the Third World is poor because of its ignorance. This is not only arrogant; it is also un-biblical."[27] This, of course, is a total misrepresentation of my views. I do not believe that ignorance is the Third World's problem. The Third World's problems are religious: *moral perversity*, a long history of *demonism*, and outright *paganism*—including especially *socialistic paganism* (post-1960). But I can well understand why Mr. Gish was troubled by my analysis; he himself had adopted the "more-poverty-per-capita program" of the Third World and zero-growth pagans. When he was confronted with the economic curses that God has poured out on such pagans, he was troubled. (He should have been terrified.)

He correctly criticized my arrogance. When it comes to pagan societies and pagan world views, there is no question about it: I am arrogant about the superiority of Christianity. Mr. Gish then got to the point: "I wonder why North quotes Bauer's long list of attitudes which are opposed to capitalistic development. He seems unaware of the extent to which Jesus and the biblical prophets stand condemned by that list. I wish North could see the demonic and destructive nature of Western values. . . . I am shocked that North would suggest that we go to the Third World and preach 'the culture of the West.' I thought we were to preach Jesus and him crucified. Or is capitalistic affluence the same as the way of the cross? Apparently, North believes thrift, education, development and responsibility will save. I don't. I believe the biblical vision stands in fundamental opposition to 'the culture of the West."[28]

Mr. Gish was certainly forthright. He was unafraid of aligning himself with the culture of the Third World. He was not neutral in the slightest. *He hated Western civilization*. He recognized that the West was originally the civilization of capitalism, and that large sections of it are still capitalistic, *and therefore he hated it*. He refused to admit that

27. Art Gish, "A Decentralist Response," *ibid.*, p. 78. I ask: Was Moses arrogant and unbiblical when he instructed the Israelites to kill every Canaanite in the land (Deut. 7:2; 20:16–17)? Was he an "elitist" or (horror of horrors) a racist? No; he was a God-fearing man who sought to obey God, who commanded the Israelites to kill them all. This sounds like a "superior attitude" to me. Of course, Christians have been given no comparable military commandment in New Testament times, but I am trying to deal with the attitude of superiority—a superiority based on our possession of the law of God. This attitude is something Christians must have when dealing with all pagans. God has given us the tools of dominion.

28. *Ibid.*, pp. 78–79.

the culture of the West, prior to its secularization in the eighteenth and nineteenth centuries, was the product of Christianity. He also refused to admit that the poverty of the Third World is the product of its anti-Christian background. In an orgy of guilt, he called us to adopt the poverty-stricken life style of Third World paganism in the name of Jesus.[29]

It is remarkable that self-styled "radical Christians" are surprised to learn that God hates ethical rebellion, and that He brings earthly judgments against pagan societies. The God of the Bible sends ethical rebels to the eternal miseries of the lake of fire (Rev. 20:14). What is earthly poverty, sickness, and political oppression compared to eternal damnation? It makes me wonder if these "radical Christian" critics of capitalism and the West believe in a God who sends people to eternal fire. Of what concern is poverty for a few decades compared with perpetual fiery torment? The God of the Bible is the God of incomparable negative sanctions. Why should any Christian imagine that God owes covenant-breaking mankind wealth rather than poverty?

2. Embittered by Guilt

Mr. Gish's problem was the problem that he shared with a whole generation of Western intellectuals: too much reliance on endless criticism and too much guilt. This attitude is beginning to paralyze the West. Revel's comments are on target: "Not only do democracies today blame themselves for sins they have not committed, but they have formed a habit of judging themselves by ideals so inaccessible that the defendants are automatically guilty. It follows that a civilization that feels guilty for everything it is and does and thinks will lack the energy and conviction to defend itself when its existence is threatened. Drilling into a civilization that it deserves defending only if it can incarnate absolute justice is tantamount to urging that it let itself die or be enslaved."[30] This guilt-induced self-flagellation is made even easier for humanism-influenced "radical Christians." By failing

29. Gish grew up in a Mennonite community. When he wrote his chapter, he was living on a communal farm. He had written a book on this, Living in *Christian Community: A Personal Manifesto* (Scottsdale, Pennsylvania: Herald Press, 1978). The farm, like most communal farms, finally went under in the early 1990s. People drifted away, as non-owners tend to do. He then turned to private ownership. He died in July 2012 on his family farm when his (by Third World standards) high-tech tractor rolled over him.

30. Jean-François Revel, *How Democracies Perish* (Garden City, New York: Doubleday, 1984), p. 10.

to understand and rest upon the doctrines of definitive sanctification and progressive sanctification, they have become guilt-ridden and impotent. Definitive sanctification teaches that Jesus' perfect moral life is imputed to His followers at the point of their conversion. Progressive sanctification teaches that regenerate people are required by God to work out their salvation with *fear and trembling in terms of biblical law*, even though they are imperfect in and of themselves. Their imperfect work is accounted righteous because of their definitive sanctification. It builds up over time, until the day of final judgment and final sanctification.[31]

But "radical Christians" do not understand these doctrines. They are visibly overwhelmed with guilt concerning their own ineffectiveness and the supposed ineffectiveness of "Christianity" in not putting a stop to the "moral evil" of capitalism. They have also been overwhelmed by the seeming impossibility of godly dominion. After all, we live in a sinful world. *We* are sinful. So how can we—pitiful, guilt-ridden worms that we are—take dominion? Aren't we sinful perpetrators of injustice? Aren't we the sinful religious accomplices of the evil elite which rules (and profits from) the greedy and corrupt capitalist system? Oh, let us escape to the communal farm, where the morally polluted efficiency of mass-producing, price-competitive industrialism is kept out of our sight (even though we benefit from it 24 hours a day)! Oh, let us refuse to fight in wars to defend our miserable freedoms, even if a foreign nation should invade.[32] Oh, let us be delivered from this corrupt and capitalist world! Oh, oh, oh!

Above all, *they crave escape*. This is why they are progressively impotent. This is why their movement is doomed intellectually and doomed historically. These people will be bypassed, either by dominion-oriented Christians or power-oriented humanists, but they will be by-passed. They will not determine any civil government's policy. They will be able only to wring their hands on the sidelines of life, telling everyone how guilty they feel and how guilty we ought to feel for not joining them on the sidelines. At most, they will cheer on the statist politicians every time the latter try to pass a tax increase for the

31. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), pp. 48–52.

32. This was the pacifist recommendation of Ron Sider and Richard Taylor with respect to Russian Communism, even though, as they admitted,"hundreds of thousands, perhaps even millions might die" as a result of nonviolent resistance. Ronald J. Sider and Richard K. Taylor, *Nuclear Holocaust and Christian Hope* (Downers Grove, Illinois; InterVarsity Press, 1982), p. 281.

higher income brackets. This is the politics aptly described by Rushdoony as the politics of guilt and pity.[33]

B. Capitalism's Critics Within the Church

There were two major intellectual movements within twentieth- century Christianity that were utterly hostile to capitalism: the Social Gospel movement and the "radical Christianity" or "liberation theology" movement. The first was prominent from the late nineteenth century through the 1950s. The second group came into prominence in the late 1960s and especially in the 1970s. (Art Gish was a representative of the second group.) Both groups hate capitalism with all their hearts—not just the secular version of nineteenth- and twentieth-century capitalism, but every manifestation of capitalism in history. They hate the premises of capitalism. Yet these premises are essentially biblical, derived from the Ten Commandments. Thus, *the critics of "capitalism in general are inescapably also haters of the law of God*. This is my conclusion, based on long years of study, both of the economics of the Bible and the published manifestos of the Christian socialists.

1. Socialism's Pessimism

With the visible failure of socialist economies to "deliver the goods," the *underlying religious presuppositions* of capitalism's critics—including the "secular" critics—have become clearer. In the nineteenth century, capitalism's critics heralded socialism as the next stage in the economic progress of mankind. Capitalism was more efficient and productive than ancient slavery or medieval feudalism, Marx and others readily admitted,[34] but they believed that socialism would escalate the rate of progress and per capita wealth. That vision is now dead, outside of Western universities; it lies buried in the ashes of the socialist experiments of the twentieth century.

The promoters of secular evolutionary socialism were confident people. They believed that they would eventually be victorious. The Social Gospel movement picked up this humanistic optimism. It was therefore future-oriented and optimistic. Its members confronted capitalism as if they were in the vanguard of the next stage of human

33. Rousas J. Rushdoony, *Politics of Guilt and Pity* (Vallecito, California: Ross House, [1970] 1995).

34. See especially the summary of the economic revolution of modern capitalism in Part I of the Communist Manifesto. Karl Marx and Frederick Engels, "Manifesto of the Communist Party" (1848), in Marx and Engels, *Selected Works*, 3 vols. (Moscow: Progress Publishers, [1969] 1977), I, pp. 109–10.

history. They believed in the state, and they sought to transfer power to the state, especially national government. They saw themselves as social revolutionaries—nice, well-meaning, well-fed, humanitarian, and above all *risk-free* revolutionaries of the sanctuary. The sanctuary was just that for them: a place of refuge. But it was to serve as headquarters for a co-ordinated program (they hoped) of coercive social transformation.

A good example of this satanic misuse of the sanctuary is provided by Nathaniel Weyl, in a footnote in his book on Karl Marx. In the 1940s, he reported, "when I was the leader of the radical movement on the Columbia University campus, I was invited to become an honorary member of the Atheists' Club at adjacent Union Theological Seminary. I asked rather naively how an honorable man could accept an appointment to the ministry if he didn't believe in God. The reply was that the pulpit provided a captive audience, a position of authority and a regular salary—all most useful to socialist and Communist propagandists. I declined the invitation."[35] This is the humanists' strategy that I have called "capturing the robes."[36]

I wrote the following in the 1986 first edition of this book:

> That older optimistic socialism, both secular and "Christian," is pretty well gone today. Its optimism was drained by the experiences of power. The European socialist economies are becoming basket cases.

In 1988, Soviet Premier Gorbachev admitted publicly that the Soviet Union was economically bankrupt. He went begging in foreign banking and government circles for more aid. In 1989, the Berlin Wall went down. The Soviet Union's Eastern European satellites broke free and publicly abandoned Marxism. On December 31, 1991, the Soviet Union committed suicide and ceased to exist.

In the United States, the hard realities of the Presidency of Lyndon Johnson—he was crass, calculating, coercive, and above all, unstylish—removed much of the political liberals' hope in the older faith. Furthermore, the rise of alternative theologies undermined the older theological liberalism: politically pessimistic (Reinhold) Niebuhrism, non-rational Barthianism, and New Age transcendentalism. The spiritual odyssey of Harvard theology professor Harvey Cox is representative, though somewhat flamboyant: from outright

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35. Nathaniel Weyl, *Karl Marx: Racist* (New Rochelle, New York: Arlington House, 1979), p. 67.

36. Gary North, *Backward, Christian Soldiers? An Action Manual for Christian Reconstruction* (Tyler, Texas: Institute for Christian Economics, 1984), ch. 7.

secular humanism (old liberal-style rationalism) to irrationalism to liberation theology.[37] Cox was the leading theological weather vane of the decade, 1965–75, and every four years, he switched positions.

In place of the old secular socialism has arisen a new critique of capitalism. Capitalism is evil, we are now informed by the critics, because it is too growth-oriented. Economic growth is a liability.[38] More than this: Economic growth is a sin. We find the "simple life style" people advocating on principle a reduced division of labor and lower per capita income, especially for rich nations—that is, the nations in which guilty readers can afford to buy mass-produced, low-cost paperback diatribes and monthly magazines.

Paralleling the transformation of the secular socialists, the church has produced "radical Christianity," sometimes known as "liberation theology." In some senses, these are two different movements. The latter movement tends to be more Marxist; the former is more likely to be made up of Anabaptist pacifists. Sometimes their memberships overlap. The more hard-core liberation theologians tend to be Roman Catholic. The radical Christians are usually Protestants: neo-evangelicals, sometimes Reformed (seminary professors and younger seminary graduates), and especially Anabaptists.

We find so-called radical Christians (who are openly the spiritual heirs of the radical Anabaptist sects of the sixteenth century) espousing the "small is beautiful" philosophy of "neo-Gandhian" E. F. Schumacher, author of *Buddhist Economics*, as well as *Small Is Beautiful*. Schumacher's recommended economic system is consistent with his religious presuppositions. The "radical Christians" are either inconsistent with theirs (Christianity), or else they are consistent with their true presuppositions (anti-Christianity), but dishonest in revealing publicly their true commitment. In any case, what the critics of capitalism—all the critics of capitalism—hate is the thought of a literal, comprehensive application of the Ten Commandments in society.

2. A Two-Gods Theology

These "radical Christians" are invariably implicit defenders of some version of the "two-gods" theory that Marcion and other early

37. Harvey Cox, *The Secular City: Secularization and Urbanization in Theological Perspective* (New York: Macmillan, 1965); *The Feast of Fools: A Theological Essay on Festivity and Fantasy* (Cambridge, Massachusetts: Harvard University Press, 1969); *The Seduction of the Spirit: The Use and Misuse of People's Religion* (New York: Simon & Schuster, 1973).

38. E. J. Mishan, T*he Costs of Economic Growth* (New York: Praeger, 1967); Mishan, *The Economic Growth Debate: An Assessment* (London: George Alien & Unwin, 1977).

church heretics promoted. They contrast the views of Jesus with the views of Moses. *They hate Old Testament law with a passion*. They argue that there is some fundamental dualism between the Old Testament and the New Testament. They reject the Old Testament and proclaim the New Testament—a New Testament that is now conveniently stripped of its Old Testament foundations. (In this sense, they are not significantly different from modern pietists, dispensationalists, and conservative antinomians, who also assume a radical dualism between the Old and New Testaments.) Then, in the name of this "pure and undefiled" New Testament, they attack anyone who dares to appeal to passages in the Old Testament that sanction private ownership and individual responsibility. The Old Testament, it seems, is only to be used when you are looking for passages that support modern socialist revolutionism or modern pacifism. Incredibly, some "radical Christians" support both. "Why is it that conservative Christians have such difficulty with the New Testament?" asked Mr. Gish. "They either ignore it, as North does, or try to explain it away."[39] My relevant but incomplete response would be to throw back this contrast: Why do "radical Christians" have such difficulty with the Old Testament? Why do they ignore it, as Mr. Gish did, or try to explain it away?

But the significant answer to Mr. Gish's rhetorical questions is to point out that the difference between Jesus and Moses was a *difference in historical circumstances*: Moses was waiting for the younger generation of Israelites to become a military force (so hated by the "radical Christians"). He was waiting to invade Canaan militarily. God had instructed Moses to exterminate the Canaanites and establish Israel's kingdom in the long-promised territory. In contrast, Jesus established a new set of tactics, because the Holy Spirit would come at last and lead God's people out of the narrow geographical confines of Palestine and into confrontation—religious confrontation, not military confrontation—with the world.

Jesus, like Moses, was preparing His people for a fight. It is a fight that involves self-discipline. As was true in Moses' day, it involves multiple covenantal organizations: church, state, and family. Initially, Jesus called on poor men to begin the fight. But Jesus has always called His followers, whether rich or poor, to victory. He has called them *to exercise dominion in terms of His Father's law*. This long-term strategy of dominion has never changed. Redeemed mankind's fulfillment of the dominion covenant is supposed to produce a unique

39. *Wealth and Poverty*, p. 77.

society, simultaneously a garden and a city. This new civilization will operate in terms of God's law, by means of God's grace.

The possibility of such a society is rejected by "radical Christians." The hatred of God's law by "radical Christians"—from the late medieval peasant and artisan rebellions[40] to the Evangelicals for Social Action—is so total that they assert as forever binding the low-output Christian lifestyle of rural Israel in A.D. 30. But this has never been the Bible's perpetually normative social order. What Jesus was talking about was precisely what Moses was also talking about: a strategy of long-term dominion—in economics, in politics, in law, in public health, and everything else. This strategy remains the same throughout history. There was a shift in both tactics and geography with the coming of the church, but not a change in strategy. What Jesus was offering was *comprehensive redemption*.[41]

The Social Gospel's advocates saw correctly that Jesus was a revolutionary, in the sense that He offered a program for comprehensive social change. He did exactly that. But they incorrectly modeled His revolution along the lines of the Fabian socialist movement in Britain.[42] They argued that Jesus was an advocate of economic growth and development, as well as an advocate of external progress. Yet when we read the words of Jesus, we find that He did not discuss such issues.[43] *It was Moses, not Jesus, who proclaimed economic growth as an ideal for society*. Only to the extent that Jesus implicitly retained the worldview of the Mosaic law that such a program of economic development can be associated with His ministry. The Social Gospel theologians wanted nothing to do with the Mosaic law. So, they interpreted Jesus' ministry to fit their model of evolutionary socialism.

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40. Norman Cohn, *The Pursuit of the Millennium: Revolutionary messianism in medieval and Reformation Europe and its bearing on modern totalitarian movements* (New York: Harper Torchbooks, 1961); Igor Shafarevich, *The Socialist Phenomenon* (New York: Harper & Row, [1975] 1980), ch. 2.

41. Gary North, "Comprehensive Redemption: A Theology for Social Action," *The Journal of Christian Reconstruction*, VIII (Summer 1981). Reprinted in Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), Appendix C.

42. On Fabianism, see Margaret Patricia McCarren, *Fabianism in the Political Life of Britain, 1919–1931* (Chicago: Heritage Foundation, 1954); Rose L. Martin, *Fabian Freeway: High Road to Socialism in the U.S.A., 1884–1966* (Boston: Western Islands, 1966), which was based on the voluminous research in McCarran's unpublished manuscript, The Fabian Transmission Belt.

43. Gary North, P*riorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012); Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012).

The failure of socialist policies to produce economic progress has necessitated a change in strategy for the advocates of statist social change. Today, the spiritual heirs of the Social Gospel movement—radical Christians—are calling for the same old sectarian Anabaptist revolutions: either some version of common-ownership communalism down on the farm, or else the expansion of power of the state to redistribute wealth by compulsion. What makes their present appeal unique in our day is that both scenarios are defended by a call for this revolution in the name of a vision of poverty, which is the one thing that socialism always produces in abundance. They defend their vision in the name of the simple life style—a life style without a high division of labor, mass production, price competition, computers, automobiles, jet planes, and similar high-technology tools of dominion.

Richard K. Taylor, who co-authored the InterVarsity Press book with Ronald Sider on why we should disarm the United States of all weapons, unilaterally if necessary, wrote an article in *the other side* (July-Aug. 1974), a journal of radical Christianity, entitled, the imperative of economic de-development. (The editors at *the other side* did not use capital letters in the old days.) Taylor concluded: "It is imperative that we de-develop the American economy, while encouraging the growth of the poorer nations economies to a level of ecologically sound adequacy, in which basic needs for food, clothing, housing, and medical care are met." Question: Who will decide for Third World national leaders precisely what ecologically sound adequacy is? Who will tell them, "Stop, you've had enough!" when they reach these predetermined levels? Who will determine just how much state-enforced de-development America needs? Over whose dead body? Here is a proposal guaranteed to produce social war, endless envy and resentment, and perpetual confrontations. In short, here is a proposal that will make Satan proud of his success in turning men's eyes away from the Ten Commandments.

"When I get to dreaming about this," Taylor said, "I see Christians leading a movement of tremendous significance. I see Billy Graham walking from one crusade to another rather than flying in a jet. I see him cutting his wardrobe to one suit, and hear him preaching on Mark 10:23 and I Timothy 6:7–10. I see the church going back to the Gospel ideal of humble poverty." What I see is a bunch of well-fed, pampered, and tenured social utopians out in a field during the day, trying to feed themselves without tools, and spending the evening writing their economic manifesto on papyrus with their goose

quills and ink. Radical Christianity is anything but a movement of tremendous significance. It is a temporary phenomenon of guilt-ridden, public school-educated, socialism-peddling, suicidal, retreatist *poverts*.[44] They are self-consciously advocates of zero-growth impotence. As a movement, they will undoubtedly achieve their goal. They are going nowhere, for they are low-capital nomads without a known destination. The radical Christianity of the neo-Anabaptists is a classic contemporary manifestation of escapist religion.[45] They propose programs that inescapably produce social conflict, but always in the name of social peace and social justice. They propose programs that lead inescapably to cultural impotence, but always in the name of relevance and importance. If they had any serious economic ideas or any likelihood of becoming influential leaders politically or even intellectually, we would call them wolves is sheep's clothing. They are goats in sheep's clothing.

These radical Christians serve the political left in the same capacity that the old fundamentalists[46] and pietists long served the humanist establishment: as *dogmatists of social impotence*. They are as hostile to the theonomic vision of capitalist Christianity as the old fundamentalists were hostile to the Social Gospel's vision of socialist Christianity. Both groups come up with the same answer: *The Bible offers no economic blueprints*. They are equally incorrect.

C. The Ten Commandments and Western Development

The Ten Commandments provide a strategy. I call it the Sinai strategy. It is neither a power strategy nor an escape strategy. It is a dominion strategy. It is a strategy for *not staying poor*, either individually or socially. It is a strategy that was first delivered by God to a rabble of ex-slaves who were about to begin a 40-year wandering in a wilderness, precisely because they rejected God's strategy of worldwide dominion. It is a strategy based on *covenantal subordination under God*, both personally and corporately, and calls for *dominion over creation*, both personally and corporately. A radical theologian of the "old liberalism," John C. Raines, recognized this impulse in John Calvin: "Calvin understood the Christian life not as 'a vessel filled with God' but as an active 'tool and instrument' of the Divine initiative. But this

44. Povert (PAHvurt), noun: "A person who promotes poverty as a way of life for everyone, but with everyone else starting first." The term was coined by Louis Bulkeley.

45. See Part 1, Introduction.

46. North, *Backward, Christian Soldiers?*, ch. 4: "Fundamentalism: Old and New."

is precisely our point. Active toward the world, the Christian knows himself as utterly passive and obedient toward God, whose Will it is his sole task to discover and obey."[47] Unlike Raines, Christians find God's will in the Ten Commandments.

The Ten Commandments, wherever respected, have produced remarkable economic growth and social progress. This includes the much-maligned Middle Ages. The medieval era was a period of remarkable technological change and economic growth.[48] The earlier transitional period (400 A.D. to 1100 A.D.) to the late medieval era (1100 A.D. to 1500 A.D.) has been labeled the "Dark Ages" ever since humanist Renaissance ("rebirth") scholars invented the phrase. The period came as a result of the collapse of Roman civilization. It was a period of economic growth, though irregular. Economic historian Robert Latouche said that it is incorrect to assume that the Christian world had contracted by comparison to the ancient world, because we always look at the Mediterranean world of Augustus and compare it to northern Europe eight hundred years later. The point is, northern Europe improved its economic position under Christianity compared with what it had been in classical times.[49] He also noted that one of the elements fostering stagnation was pessimistic millennialism: "By continuing to prophesy that the end of the world was approaching, it created an atmosphere of indifference to the natural and physical sciences which promoted worldly well-being and happiness, and which in the tenth century were still suspected of being inspired by the devil."[50] He might have added the negative effects of this shortened time perspective on capital accumulation. Such a time perspective raises interest rates by heavily discounting the future.

Furthermore, the progress of medieval civilization was not limited to economics and technology. The Papal Revolution of 1076–1150 created the legal foundations of Western civilization.[51] In that same pe-

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47. John C. Raines, "From Passive to Active Man: Reflections on the Revolution in Consciousness in Modern Man," in John C. Raines and Thomas Dean (eds.), *Marxism and Radical Religion: Essays Toward a Revolutionary Humanism* (Philadelphia: Temple University Press, 1970), p. 114.

48. Lynn White, Jr., *Medieval Technology and Social Change*, 2nd ed. (New York: Oxford University Press, [1962] 1966).

49. Robert Latouche, *The Birth of the Western Economy: Economic Aspects of the Dark Ages* (New York: Harper Torchbooks, [1956] 1966), p. 306.

50. *Ibid.*, p. 304.

51. Harold J. Berman, *Law and Revolution: The Formation of the Western Legal Tradition* (Cambridge, Massachusetts: Harvard University Press, 1983).

riod, Christians invented the university.[52] A great revival of learning took place after the year 1100.[53] The triumphs in architecture, most notably the great cathedrals but also the castle fortresses, are not denied by anyone.

The coming of the Protestant Reformation in the sixteenth century transformed European thought and culture, politics and economics. Max Weber's thesis, that the Protestant ethic led to the civilization-wide extension of a spirit of capitalism and entrepreneurship, was correct.[54] Critics note that there was a spirit of capitalism in late medieval Italian trade cities. There was, indeed, but the attitude that characterizes capitalism did not spread to Europe as a whole. It did under Protestantism. One reason was Protestantism's opposition to holidays. There were about 150 holy days under Mediterranean Catholicism. There were only Sundays and a few prayer days under Calvinism. This made a difference in comparative rates of economic growth over the centuries.

Without Christianity, there would never have been modern science, as the voluminous (and generally ignored) researches of French historian Pierre Duhem and American scholar Stanley Jaki have demonstrated.[55] An large body of scholarly literature has built up that indicates the close relationship between the rise of Calvinism-Puritanism and the rise of modern science.[56]

The Christian worldview created the foundations of Western civilization—foundations that are now being eroded by humanism. The antinomian (anti-biblical law) pietist tradition of withdrawal, non-involvement, and internal "spirituality" cannot withstand this erosion process.[57] When Christians lose faith in five essential biblical doc-

52. Charles Homer Haskins, *The Rise of the Universities* (Ithaca, New York: Cornell University Press, [1923] 1965).

53. Christopher Brooke, *The Twelfth Century Renaissance* (New York: Harcourt, Brace & World, 1970).

54. Attempts to refute Weber have been numerous, but even after a century, the bulk of his thesis holds up well to specific criticisms. See Gary North, "Weber's 'Protestant Ethic' Hypothesis," *The Journal of Christian Reconstruction*, III (Summer 1976). A good general introduction to the question is collection by S. N. Eisenstadt (ed.), *The Protestant Ethic and Modernization* (New York: Basic Books, 1968).

55. Stanley Jaki, *The Road to Science and the Ways to God* (Chicago: University of Chicago Press, 1978); *Science and Creation: From eternal cycles to an oscillating universe* (Edinburgh: Scottish Academic Press, [1974] 1980).

56. For a survey and analysis of a portion of this literature, see E. L. Hebden Taylor, "The Role of Puritan-Calvinism in the Rise of Modern Science," *The Journal of Christian Reconstruction*, VI (Summer 1979); Charles Dykes, "Medieval Speculation, Puritanism, and Modern Science," *ibid*.

57. *Christianity and Civilization*, 1 (1982): "The Failure of the American Baptist Culture."

trines—the sovereignty of God, the self-sufficiency of the infallible Bible, the Bible-revealed law of God, the predictable corporate sanctions of God in history, and the victory of God's people in time and on earth—they find themselves nearly defenseless (intellectually, institutionally, and culturally) against their rivals in every area of life.[58] When Christians refuse to take the offensive, they become like the Israelites of Moses' generation: nomads without an earthly future.

Conclusion

How should Christians begin to take the offensive? By means of biblical law. In other words, we must put to good use the grace of God, which has been shown to us in Christ. *We are to live by grace in terms of biblical law*. We judge ourselves by our fruits, and we judge our fruits in terms of their conformity to God's law. The Ten Commandments are the starting point today, just as they were in 1493 B.C., and just as they have been at all points in between. What I have tried to demonstrate in this book is that in the field of economics, there is no doubt: The Ten Commandments still apply. More than this: Without the principles laid down by the Ten Commandments, there is no hope for the economic future of man.

A God-blessed economic future is a future based on personal self-government under God, as evaluated by each individual (self-evaluation) and others (market evaluation) in terms of God's revealed law. Economic justice, like economic progress, is not based on the reign of the king, the politician, or the bureaucrat. Above all, it is *familistic responsibility* which is the dominant force in economic life. Economic progress ultimately requires future-orientation and faith in a providential world of cosmic personalism—faith in the existence of economic order, faith in economic cause and effect. It was this confidence which created the Western economy, and only this faith can sustain it.

Humanism is losing its self-confidence, and is doomed. The question is this: *Is humanism doomed historically*? The Bible teaches that it is doomed historically, for Satan is doomed historically, despite the familiar eschatological teachings of the "pessimillennialists." His defeat at Calvary *definitively* established his defeat in history. Nevertheless, history requires action. To establish the visible cultural manifestation of Christ's historic triumph, Christians must first learn the truth of

58. Gary North and David Chilton, "Apologetics and Strategy," *ibid*., 3 (1983).

an old political slogan: "You can't beat something with nothing." Humanism's visible failures today will not automatically lead to some sort of Christian "victory by default." There is no Christian "kingdom by default." Christians cannot win by default, because men are born into Satan's kingdom (original sin). Sinners must be actively pursued—by God's Holy Spirit and by those who bring the gospel message. If Christians were passive in terms of personal evangelism, Satan's kingdom would remain unchecked and unchallenged. The same is true of *cultural evangelism* by Christians: *no activism—no victory*. Once Adam sinned, had Christ's death not atoned for man's sin, Satan could have remained passive and have been historically victorious. Satan would have won by default, had it not been for Calvary. Christ's activism conquered Satan; analogously, Christians' activism will in history conquer Satan's troops, both human and angelic. Ethics, not power, is the critical factor. Biblical law, not state power or magical power, is decisive.

What I am arguing is simple: *There are no civilizational vacuums*. There are no tie scores in the competition to build an external kingdom, whether Satan's or God's. Unless Christianity positively wins, Satan positively wins. Christianity, if it is not accompanied by a program of comprehensive Christian reconstruction, cannot triumph historically. "You can't build something with nothing." There should be no doubt in any *orthodox* Christian's mind that in the field of economics, the basis of such reconstruction is faith in, and obedience to, the Ten Commandments.